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THE OUTLOOK FOR THE  
AVERAGE MAN

ALBERT SHAW



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**THE OUTLOOK FOR THE  
AVERAGE MAN**



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# THE QUTLOOK FOR THE AVERAGE MAN

BY

ALBERT SHAW

AUTHOR OF "POLITICAL PROBLEMS OF  
AMERICAN DEVELOPMENT," ETC.

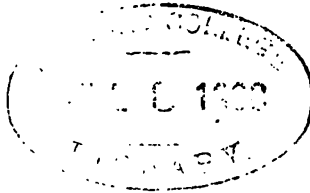
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## PREFACE

THE five chapters of this volume consist of material originally made use of in public addresses to young men. The first was delivered to the students of the University of Chicago as a Convocation address. The second and third, respectively, were prepared as commencement addresses for Vanderbilt University, Nashville, Tennessee, and Trinity College, Durham, North Carolina. The fourth was the opening discourse upon the Weinstock Foundation in the University of California, and the fifth was presented at the University of Virginia, on occasion of the re-establishment of "Founder's Day," this being observed on Thomas Jefferson's birthday.

The addresses were written with some reference to their subsequent publication in the present form, and they bear a certain relation to one another, though each is complete in itself. They have to do rather with the relation of the individual to present social, economic, and political

conditions in the United States than to those conditions themselves. The reader will not fail to discover certain repetitions; but it has seemed better not to omit views and statements that belong properly in their particular places in a given chapter, merely because similar views or statements are to be found in another chapter.

ALBERT SHAW.

NEW YORK, November, 1907.

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**THE AVERAGE MAN UNDER  
CHANGING ECONOMIC CONDITIONS**



# THE OUTLOOK FOR THE AVERAGE MAN

## CHAPTER I

### THE AVERAGE MAN UNDER CHANG- ING ECONOMIC CONDITIONS

WHAT of the position and prospects of the average young man in the face of vast current and impending changes in economic and industrial society? Certainly, I shall not hope to exhaust a question of such varied aspect and such profound importance. I shall be satisfied if I may make some suggestions and observations that may prove in the least degree useful to some young men in their thinking upon general problems, or in their dealing with more personal or individual phases of the economic and social question — for it is obvious that there are prevalent just now two kinds of interest and anxiety in view of the enormous transitions that are taking place about us.

*Economic  
change and  
the  
individual*

## CHAP. I.

*A period of  
changing  
landmarks*

1. On the part of many young men who feel that they have their own way to make in the world, the natural optimism of youth is tempered by a considerable anxiety by reason of the disappearance of traditional landmarks. They find that new meanings must be written into such terms as "success" and "getting on in the world." A more acute anxiety, relieved by far less of personal hope or general optimism, is that of older men of fixed habits and diminished adaptability, who find themselves the victims of displacement as new methods of work and of organization ruthlessly supersede old methods.

*The larger  
social  
question*

2. Quite a different sort of anxiety is that which has a somewhat disinterested or philosophical basis, and concerns itself not so much with the question, "How shall these things affect *me*, *my* fortunes, *my* future?" as with the questions, "How is the community to be affected?" and "Are these new tendencies making in the general sense for human emancipation and equality on an ever higher plane, or are they making for a new and unpleasant kind of social and economic imperialism, in which the few shall be plutocratic masters and the many industrial subjects?"

I shall not try to take these questions ponderously or elaborately, and I shall be inclined, quite against my usual habit of mind, to give somewhat more attention to individual and personal aspects, *The personal problem* and rather less to economic generalization. The clean-cut theory, the scientific formula, the beautiful presentation of the law of averages — all these bring only cold comfort to the individual young man who is seeking specific solutions for his own problems.

If there were grounds for trepidation twenty or twenty-five years ago as men peered over the college wall, there were not so many notes of alarm sounded to affright the student as he is likely to hear in these days. The paragrapher's jokes about the college graduate, of course, have always been with us; but we did not hear so much twenty years ago about the overcrowding of the professions and the narrowed range of independent opportunity in the business world.

Let me say at once, to relieve suspense, and not to carry any needless air of gloom, that I for one do not believe in the least that there is any real shrinkage of opportunity in life for the worthy young man, or that the new conditions really threaten the prospects of the individual. *No shrinkage of opportunity*

## CHAP. I.

*Trained  
capacity  
the best  
asset*

There are, however, certain principles that have new force in these altered times and that cannot be stated with too much emphasis. One of these principles is that the best possible investment any young man can make is in himself; that is to say, in his own training and development for useful and effective work in the world. The thing in general to be attained is power. The thing in particular is the special training of some kind that enables a man to make expert application of his developed force and ability. If trained capacity has been a valuable asset in the past, it becomes the one indispensable asset under the new conditions.

*Training,  
with or  
without  
college*

I shall not here broach directly the question whether or not it is worth while for the average young man to go to college. My observation has taught me not to draw too sharp a line in business or commercial life between men who have had a preliminary college training and those who have not. It is useless to lay down rules. Opportunities nowadays are so numerous and varied that the young man of health and determination may reasonably hope to make his way in the world without regard to any beaten path. But in one way or another he must become educated and trained for efficiency.

I have in mind an illustration of this principle that the modern young man should count investment in himself, the acquisition of trained capacity, as his one safeguard, his indispensable asset. Two brothers were left orphans at seventeen or eighteen years of age, each with a small patrimony of perhaps ten thousand dollars. One brother was regarded as possessing a high sense of prudence. He was determined under no circumstances to impair the principal of his patrimony, and gradually he subordinated himself to the conserving of his petty inheritance. He was afraid to embark in active business because he had read that ninety-five or ninety-nine per cent of all business men and business ventures meet with failure. If he had placed his capital at the service of his business energies, it is quite true that he might soon have impaired it or lost it altogether; but in that process he would have gained his experience. And for any young business man who has perseverance and force of character, experience is a good investment at any pecuniary sacrifice — for, sooner or later, the business experience must be had, it being a necessary endowment for ultimate success in affairs; and if the experience can be had young, like

*A concrete example*

*Experience valuable at any pecuniary cost*

## CHAP. I.

measles or other maladies of immaturity, it does not come so hard.

*The old-time rule of parsimony*

But the young man to whom I refer could not bring himself to risk his capital on the perilous billows of trade or commerce, and much less could he bring himself to the point of doing the next best thing, which would have been to use it up in mere expense or even in self-indulgence. He still exists, no longer so young. He has become a model of economy, and he has been adding something to his capital by saving a part of the interest; but he is disturbed and distressed by the fact that interest rates tend to decline and by the general insecurity of so-called "safe investments."

*Its present-day results*

As I have watched this man I have satisfied myself that he is just on the eve of doing one or the other of two things. With his now fifteen thousand dollars he will either buy United States government two per cent bonds at a premium, in which case he will settle down for life with an income of less than three hundred dollars a year, or else he will violently react, throw prudence to the winds, and — in the parlance of the day — buy a "gold brick." If he were much past middle age, we should be sorry for him if he did not buy the government bonds. But since he is still com-

paratively young, the gold brick would be really his only means of salvation; for, having lost his money, he would have to take some stock in himself and learn somehow to make a practical use of his own energies.

The other young man had a different instinct altogether. It was not, perhaps, that he had fully reasoned it out, but he had by nature a higher spirit, a little more faith in this world and in the universe at large, and altogether a better perception of the meaning of life. He aspired to do things, but even more, he longed to *know* and to *be*. The sole use of his little patrimony seemed to him to be the launching of a man. He believed in education and he was willing to invest in himself. This particular young man had at once a strong taste for the natural sciences and a sympathetic and humanitarian turn of mind. He went to college, threw himself with enthusiasm into his work, determined toward the end of his college course to study medicine, and also resolved to use what remained of his money without stint in fitting himself by study and research at home and abroad for the higher walks of his profession.

*The man  
who in-  
vested in  
himself*

*His  
broad  
prepara-  
tion for  
work*

I need not dwell upon his early struggles or

## CHAP. I.

*Incidental  
rewards  
and gains*

*The  
financial  
aspects*

difficulties in getting himself established in practice. I merely wish to note the fact that he had gained the lifelong friendships and associations of college life. He had made his own those priceless mental resources that are acquired by study, travel, and foreign residence, where a high object is ever in control of conduct and the use of time. And he had established the habitual currents of thought that are engendered by enthusiastic devotion to work in fields of science where new treasures may always be found by diligent and well-directed search. In the very process of training for his life work he had found unexpected safeguards and compensations. The financial side of the matter is of less importance, though I may add that our professional brother, who did not make money his chief aim and object, was nevertheless in due time earning twice as much money every week as the prudent one could get in a whole year by clipping the coupons from his government bonds.

This fragment of biography — or this parable, if you please — leads on to several other considerations that I should like to present. One of these is that, generally speaking, it is fortunate for a man if he can choose a pursuit in life in

which the pecuniary returns come as an indirect rather than a direct result of his efforts. It was my pleasure some time ago to publish an article written for me by Mr. Hezekiah Butterworth, entitled "The Old Age of New England Authors." Mr. Butterworth pointed out the remarkably long period through which New England writers have on the average been enabled to continue their useful and valuable labors, and he attributed this largely to the fact that cheerfulness and serenity promote long life and the retention of the mental powers and faculties in old age. And all this is undoubtedly true.

*Work  
where  
possible  
for its  
own sake*

But it was also true in a very important sense that this class of workers owed much of that cheerfulness of spirit to the fact that the day's work did not take them into the competitive struggle and clash of the market-place, nor compel them to give much anxious thought for the morrow. It is not that one should aspire to mere quiet or aloofness, in order to cultivate serenity and live to be ninety years old. My point simply is that there are great compensations in any kind of active life, however intense and severe its labors may be, if only the work itself absorb the mind, and the pay come as a secondary consideration.

*Money  
as an  
indirect  
object*

## CHAP. I.

*Benefits  
of the  
profes-  
sional  
spirit*

My friend, a physician, striving to save the life of a little child, lost much sleep, and labored incessantly; but I do not suppose that he gave the smallest fraction of one minute to a thought about the amount of his fee. Now an equal amount of effort, strain, and loss of sleep expended upon a money-making transaction, with nothing in mind except the dollars to be gained, would have a wholly different result, both immediate and permanent. It would break a man down, and that ingloriously.

*Callings  
that are  
now profes-  
sionalized*

Clergymen, professors, lawyers of the better class, physicians, engineers, architects, and even journalists and newspaper men who do work of a professional grade — all persons, moreover, engaged worthily and usefully in any sphere of education, philanthropy, or public service, — and in the term “public service” I include not only the non-official classes, but also the better class of civil servants and also the army and navy, — the people who choose to spend their lives in these and kindred callings may be said to form the advance guards of the social order that is yet to be.

Taking them on the average, they have neither wealth nor poverty, and they give their best efforts to kinds of work which are satisfactory in

themselves. Such kinds of work to a very large extent have attached to them fixed or customary livelihoods that come of themselves where intelligent and faithful service is rendered to the community. I am confident that the tendency in many other fields of endeavor will be toward some such non-competitive and permanent standards of income, with comparative fixity of tenure, and opportunity to render devotion to the work for its own sake.

CHAP. I.

*The  
tendency  
towards  
non-com-  
petitive  
pursuits*

Certainly I hope that the young men in our colleges will be Utopian enough to believe in a future state of economic society in which each man will be more free than now to render service to the community according to his special abilities, while in return the supply to all useful workers of their ordinary needs will become more and more a matter of easy assurance, and therefore much more in the background than now. But even with our present organization of economic society, the young man will find many compensations and many advantages — other things being equal — in the choice of a pursuit in life which interests and satisfies in itself while yielding its pecuniary rewards indirectly.

*A hopeful  
and  
desirable  
prospect*

Let me refer again to the question of the rela-

## CHAP. I.

*The  
warnings  
against  
massed  
capital*

*Is the  
poor man  
without  
chance?*

tive value in this transitional period of the well-equipped, highly-trained man; for we have been so gravely and so incessantly warned about the crushing out of opportunities for young men through the growth of capitalistic combinations, that many of us find it hard to believe that we are not in some danger of being folded, stifled, and crushed within the tentacles of the octopus. We have been told that the whole present tendency is one that endangers not only the position of the workingman,—that is to say, the man who labors with his hands, whether skilled or unskilled,—but also interposes obstacles to the independence and prosperity of merit, education, and high training. For the young man who is not lucky enough to inherit a fortune, or to have influence and favor that gild his prospects, it is said that the world offers a poor and ever-diminishing opportunity for earning a livelihood and achieving success; in short, that the situation grows rapidly worse, and that the clouds on the horizon are much darker than those overhead.

Now it is true that we are moving fast in the most acutely transitional period of the world's economic history. A powerful financier remarked to me the other day that we had lived a thousand

years since the Sherman anti-trust law was enacted in 1890. The production of wealth is on a prodigious scale, and its private accumulation, which has already in a number of instances given us the man who is a millionaire a hundred times over, is pointing to the possibility of the billionaire — the man with a thousand millions, — as no solitary phenomenon not very many years hence. But the man of many millions is the incident, or by-product; he is not the fundamental cause, nor is he the chief or final result of the modern production of wealth. His status does not much affect the economic position of the average man.

Two things have brought about this recent wonderful outburst of economic production. One is the growth of human knowledge as respects the laws and powers of nature, resulting in practical achievements of science and invention. Many of the men representing this great force were brought together on a social occasion some time ago in New York. A number of these were men with whose names, even, most of us had not been familiar, yet they had made astounding and revolutionary applications of science to useful production in mechanical or electrical or metallurgical fields, or else through great talents in

CHAP. I.

*Wealth  
and its  
accumulation**The  
multi-  
millionaire  
is a mere  
by-product**Science  
the first  
source of  
wealth*

## CHAP. I.

organization, and in the use of improved agencies, had become the masters of one or another of the great lines of industry or manufacture. These, rather than soldiers or politicians, are the typical leaders, the "Plutarch's men" of our new era.

*Coöpera-  
tion  
another  
wealth  
agency*

The second of the two agencies or forces that have brought about this great outburst of economic production has been the use of the principle of coöperation. It gives us great associations of capital and of labor, limiting more and more the waste-fulness and meager results of competition on the small scale, working out production on the large scale. It employs every conceivable mechanical device to heighten the productivity of labor, — unity, harmony, and coöperation being the watchwords all along the line.

*The new  
ideas  
must be  
adopted*

Now these two things, — the application of science and the use of the principle of human coöperation, — characteristic as they were of the closing years of the nineteenth century, are going to be still more characteristic of that period in the twentieth century in which the young men who are living to-day must do their work. They must be prepared, therefore, to accept the new ideas and adjust themselves to the new society.

Science, invention, skill, special training, union of effort, harmonious coöperation — these are to be the keynotes, certainly, of the next two or three decades. Not only is it not in the least true that money, capital, mere dead material possessions, are getting the better of human flesh and blood, and that mankind is coming under a new form of slavery, but exactly the opposite is true. Capital and labor, of course, must continue in association with one another, but of the two it is labor — that is to say, human service, where it shows the touch of efficiency and knowledge — that constantly grows relatively stronger. There never was a time when training and skill in the individual man counted for so much, and when mere money, apart from training and skill, counted for so little.

*Human  
service  
more  
productive  
than  
capital*

When money could earn ten per cent in safe forms of investment, the man with fifty thousand dollars could think himself quite wealthy, and perchance go through life without an occupation. But now, when the standard of living is advanced so much, while rates of interest have so greatly declined, the same sort of man — who in order to keep his relative position needs twice his old-time income — finds that mere capital counts

## CHAP. I.

for less and less, while highly skilled personal services count for more and more.

*Modern  
business  
depends  
upon  
talent and  
skill*

Even in the strict world of finance itself, it is scarcely true any longer that money breeds money. For special skill, trained organizing ability, broad outlook, and the highly developed personal faculties, even with an empty pocket, may prove a far better start in the race for wealth than a million dollars without those qualifications. It is true that the big combination has united and absorbed many little enterprises, but the big combination absolutely demands for its success a high order of personal service. It is talent and skill, rather than the dead weight of united capital, upon which the great industrial and transportation systems must base their chief hope of permanent success.

*Leadership  
in develop-  
ment of  
wealth*

Where one finds such enterprises under the active direction of men reputed to be multi-millionaires, one is likely to discover that such men are no drones, but, on the contrary, are men of higher personal capacity and qualification for leadership, quite irrespective of their millions, than other men who could be found to take their places.

To reiterate it, let us grasp firmly the under-

lying principle that in all this recent evolution, at so rapid a rate, of business and economic life, knowledge, skill, and character stand as the best and safest assets, and that they count for more, both presently and prospectively, than at any previous period.

The great business of a college is to help high-minded and progressive youth to develop into manhood of discipline, capacity, and power. And that being the case, the college certainly never had so important a work to do before as it has to do to-day, for never before was this particular kind of training so relatively advantageous, and never before was it so needful for young men of all degrees of fortune to be prepared to do a man's work in the world on the highest plane of their own particular capacity.

*The new meaning of education*

I am aware that the college and the university do not, from their traditional standpoint at least, aim so much to fit young men for bread-and-butter pursuits; but the college and the university do stand, not merely for acquisition, but for the high training of the whole man and the development of power. And a man thus trained is not likely to prove in the end a misfit in the practical world.

*Training the whole man*

## CHAP. I.

It is true, of course, that the problem of personal adjustment is a difficult one for a great many young men. Those older men who remember their own perplexities will have ample sympathy for the college junior or senior who is a well-balanced man and entirely willing to do faithful work in the world, but is not conscious of an overpowering call to enter any particular profession. Some young men decide these questions on broad principles, while others are guided by immediate considerations. I have never believed that the successful choice and pursuit of a calling should be thought chiefly a matter of affinity. Rather am I inclined to think it all a matter of character; that is to say, of steadfastness, whole-heartedness, and concentration. Not only is all good work honorable, but it can be made sufficiently interesting.

*Adjustment  
to a  
particular  
calling*

In some directions, of course, one must give a little heed to the law of supply and demand. Thus it would hardly pay for five hundred young men to rush violently into preparation for professorships of Sanskrit or anthropology; but even such miscalculations of the market need not be fatal, for readjustment is neither impossible nor disgraceful. Thus the anthropologist out of

*Certain  
cases of  
misfit*

a job may in due time make fame and fortune as a criminal lawyer; and the Sanskrit man might have developed gifts that would fit him for a high place of service in the Philippine Islands if he did not feel inclined to go to India as a missionary.

There is not much reason to be afraid that honest effort at training one's self for work in the world may prove to have been misapplied. I have often heard men of widely varied and more or less unlucky experiences say that in the end all their previous studies, efforts, and ventures had seemed to bear exactly upon the particular task to which they finally settled down with success and contentment; so that, in the retrospect, a consistent purpose appeared to run through all their earlier career, giving unity and cumulative effect and value to what had once seemed fragmentary, unrelated, and quite unfortunate efforts.

*Final  
utility of  
unlucky  
ventures*

Two things are quite certain under the new social and economic order: first, that there is to be a widening field of productive activity for the man of liberal attainments, and second, that there is to be a vastly improved environment of opportunity for the exercise and enjoyment of liberal attainments, quite apart from their usefulness in

*Double  
reasons for  
liberal  
culture*

## CHAP. I.

any direct sphere of productive employment. Both of these reasons seem to me to justify abundantly almost any effort and sacrifice that a young man might make to improve his mind by courses of study, and to obtain college and university training if he should feel himself drawn in that direction.

*What the  
college  
should do  
for the  
man*

In college one ought to acquire the habit of seeking the truth and liking it for its own sake in a disinterested way. One's logical faculties ought to get good training in order that fallacious reasoning may easily be analyzed and disposed of. Scientific study should have as its great object the training of the powers of exact observation and of accurate analysis; and from beginning to end a college course should train the student in the correct and exact use of the English language. As to special departments of knowledge, — such as history, political economy, literature, ethics, and psychology, — certainly it is important that the student should acquire and retain as large a fund of information as he conveniently can; but it is still more important that he should get his intellectual bearings, acquire certain methods and habits of thinking, verify certain standards and principles, and learn how to

*Mental  
habits  
rather  
than in-  
formation*

apply sound generalizations to current and passing phenomena.

CHAP. I.

The important thing is clearness, which means exact thinking, and next in importance is a certain sympathetic aptitude in more than one direction, together with some degree of capacity for enthusiasm; that is to say, some optimism, either temperamental or acquired. Men whose general training has done so much for them can adapt themselves pretty readily to special callings, learning the technique of almost any profession or industry, and earning a decent livelihood while possessing the capacity for a rational use and enjoyment of life.

*Adaptability of the trained mind*

When it comes to the choice of a profession or calling, the individual will be guided by circumstances that defy all attempts to reduce the thing to rules or principles. It is a mistake to disparage any established profession. Thus, it is honorable to assist in the administration of justice, in the making of laws, and in their application to the various relationships of society. The legal profession must therefore always have its useful and prominent place. With the harmonizing and unifying of business relationships, and the substitution of the coöperative for the competitive

*About choosing a profession*

## CHAP. I.

*The  
lawyer's  
calling*

principle, it is obvious that litigation is affected; and in some spheres it is, fortunately, much reduced. All this will have its effect upon the future of the lawyer's calling. To care for the legal business of some individual corporations nowadays requires a great number of trained lawyers. In some New York law offices, as in other American cities, one finds thirty or forty, or even seventy-five or a hundred fully trained members of the legal profession, — excellent lawyers, of whom one never hears, — most of them college graduates; a few, perhaps, sharing in the profits of the firm and ranking as partners, but most of them employed at moderate salaries and working as law clerks.

*The large  
legal firms*

*City and  
country  
lawyers*

It happens to please these men better to have their assured salaries and live their lives in a great metropolitan center with opportunities to indulge their cultivated private tastes — to see pictures, to hear music, to meet their friends at the club — than to scatter into smaller cities and towns, hang out their shingles on the old-fashioned plan, and elbow their way to the front in law practice and in politics as persons of at least local importance. For my part I should probably prefer the independent shingle and the country town; but this

is a matter of taste not to be disputed about, and the point I wish to make is that more and more the members of the legal profession are doubtless destined to associate together in these large groups under circumstances which afford a good deal of stability and satisfaction.

CHAP. I.

The medical profession affords most inviting opportunities because of its rapid progress upon really scientific lines, its wonderful further opportunities for research, its rare opportunities for the rendering of service to one's fellow-men, and above all its growing authority and its changed position as respects public administration. Now that population tends to become urbanized, and millions of people must live in close proximity to one another, our men of research in the medical profession have been making a series of most providential discoveries, which have totally changed all the conditions of life and have quite reversed our whole outlook upon the future.

*Advance  
of the  
medical  
profession*

It is to the men of this noble profession that we owe that greatest of all modern discoveries; namely, the discovery that those very conditions of life which fifty or seventy-five years ago seemed destined to destroy the human race in the civilized countries of high industrial activity, could be

*Modern  
medical  
discoveries*

## CHAP. I.

*Scientific  
medicine  
has trans-  
formed life  
in cities*

turned into conditions for the positive improvement and progress of the race. It was this profession that developed the modern science of sanitary administration; worked out and applied the germ theory of disease; abolished epidemics of the large and uncontrolled sort such as used to ravage all great towns at frequent intervals; showed us the relation of pure water, sufficient air supply, and sunlight to the health of the community; taught us to inspect food; lowered the rate of infant mortality by guarding the milk supply — and, in short, set the real standards for the administration of municipal government.

*Medicine  
becomes a  
public  
calling*

More and more, I am inclined to think, the medical profession will pass over from the sphere of a private to that of a public calling. It will become one of the most essential of the protective services, somewhat as the private watchman developed into the public police organization; and the voluntary fire companies grew into the great paid and highly organized fire departments that we see to-day. The more or less voluntary and haphazard hospital facilities have tended to become systematized and public in their support and character. The administration of relief and charity in modern countries has passed over in the

main from the private and voluntary agencies to the sphere of a necessary and thoroughly organized public function. And that greatest of all protective services — the education and training of the children of the people for their places as citizens of the state, members of general society, and producers in the economic sense — has in the course of time everywhere come to be recognized as the very foremost of all the functions of the community or the state.

*How  
private  
pursuits  
evolve  
into public  
functions*

In a somewhat similar sense, then, we may safely predict a larger and larger proportion of the men trained for the practice of medicine will become public servants — administering sanitary systems; looking after the physical development of the children in schools; caring for the health of workmen in factories; ministering to the sick in hospitals and institutions; serving special classes like railroad men, sailors, or students, and specializing for the general care of the community in a way analogous to that of the official doctors who now enforce vaccination, or the United States marine hospital service. I had not meant to say so much about the future of a particular profession, and I have said this only as illustrative of certain tendencies which I believe

*The doctor  
as an  
official  
person*

## CHAP. I.

will affect the economic status of workers in a good many callings.

*Is money  
an indis-  
pensable  
motive?*

At this point I should like to say with as much stress as possible, apropos of the new society that is to be evolved, that money-getting under competitive conditions is by no means the indispensable motive power that impels men to their best activity. And there is reason enough to think that it may safely be allowed a less important place. That is to say, human society will by no means stagnate when men are not driven to make exertion chiefly through fear of poverty.

*The power  
of other  
incentives*

I affirm, without the slightest doubt or hesitation, that in many lines of activity affecting the community at large it is possible to secure as high a degree of efficiency in non-competitive and public service as in service under the spur of competitive struggle and personal ambition. It is a great mistake to undervalue men's motives. Money getting is only one of many springs of human action; and for my part I have long since become convinced that the sense of public responsibility brings out high qualities in men that might in those same individuals have lain dormant in strictly private occupations.

A large part of the progress of our times, even

in the fields of wealth production, has been due to research and study by men who were actuated not in the least degree by the motive of gain. But the greatest example of all is afforded by what is now the foremost of all our professions, namely, the profession of teaching. Here we find scores of thousands of men and women rendering noble, unselfish, and indispensable service to the community on the basis of fixed, moderate stipends, removed almost wholly from the competitive sphere of activity, and inspired to diligence and efficiency in their work by a sense of duty and responsibility.

CHAP. I.

*Teaching  
as the  
foremost  
profession*

To them it belongs in this new period to train the rising generation to right views of life and citizenship, that is to say, to develop the intelligent, coöperative man of the future, as against the competitive man of the past. The selfishness of the competitive man has grown principally out of fear, and his sense of living in a world whose motto was "every man for himself." The work at hand is the training of the man who can afford to believe that what helps one helps all, and that universal intelligence means universal emancipation.

*A public-  
spirited  
calling*

Right-minded men and women, therefore, who

## CHAP. I.

fit themselves for the work of teaching, and who appreciate its relation to the demands of citizenship in an economic society, may well feel content in the thought that they have chosen a noble calling in which they can serve their country and their generation and find many incidental rewards and compensations as they go along.

*Room in  
technical  
professions*

As for other professions and callings — such is the trend of our industrial life that it would seem likely that it could make room for almost as many engineers, electricians, and men of technological training as are likely to present themselves. In the higher walks of what is commonly called business — banking, mercantile enterprise, transportation, general manufacture, and the various branches of trade and commerce — doubtless a greatly increased proportion of young men must expect to work on salaries in large organizations. I am inclined to think that men who are engaged in the business of railroading are destined to be just as well off, with the amalgamation of the vast network of American railways into several comprehensive systems under united control, as they were when, not so many years ago, we had a vastly larger number of separate railway companies, each with its com-

*Salaried  
places in  
business*

plement of officers, engaged a part of the time in reckless rate-cutting, a part of the time in extorting high rates on the principle of "all the traffic would bear," and the rest of the time in secret rebating. The newer method tends to make railroading more scientific, gives it a better opportunity to serve the traveling and producing community, and affords a more attractive calling for real merit and character.

CHAP. I.

*The future  
for rail-  
road men*

As to the amalgamation of commercial and industrial enterprises, the rapidity of the process has doubtless caused a great deal of distress through changed methods and the displacement of men. But if one or two traveling salesmen can really do all the business that thirty or forty were struggling and competing for under the old system, the community as a whole must certainly reap the benefit when the necessary readjustments have been made; and what is good for the community as a whole will not fail to be good also for most of the individuals concerned.

*Temporary  
distress  
due to  
readjust-  
ment*

Let us not forget that the intelligent man of the future is also to find a great outlet for his energies in the old and dignified calling of agriculture. The application of science and invention to the business of farming is destined to

*Science  
in the  
revival of  
farming*

## CHAP. I.

*Better-  
ments of  
life in the  
country*

*Methods of  
rural  
progress*

work changes which we are only beginning to suspect. Scientific agriculture affords a field of study of almost infinite variety, and promises safe, if not glittering, financial returns. Along with the complete transformation of the business of farming under the new applications of science and invention is destined to come about the rehabilitation of country life through the intelligent cultivation of coöperative methods. Greatly improved highways, the electric trolley for freight as well as passengers, the substitution to some extent of motor traction for horses in hauling and farm work, the extension of the free postal delivery, the universality of the telephone, the centralization and great improvement of schools through the facilities offered by better roads and through organized methods for carrying the children back and forth, the multiplication of coöperative cheese factories and creameries, and common action in various other directions having to do with purchase and sale, the performance of heavy work by machinery, and the utilization of raw products by the establishment of additional primary industries analogous to the butter and cheese factories, the multiplication of traveling libraries and the improvement of social facilities —

in all these and various other ways country life can and will be greatly revived; and the position of the intelligent and well-educated farmer may well be one of dignity, prosperity, and contentment.

CHAP. I.

After all, the object of that better society toward which the civilized world is moving is to reach such a point of abundance in production, and of fairness in distribution, that the man may be much more than a mere factor in the economic process. There was much basis in fact for the old conception of the orthodox economists, according to which man was almost wholly concerned with economic functions, living his life under the hard-and-fast sway of the law of supply and demand. But we are destined to outlive that conception and that status. Consciously or unconsciously, blindly or with open eyes, we are working out our racial emancipation from that grind of hopeless toil which has been entitled the primeval curse.

*Gradual  
emancipa-  
tion from  
the  
economic  
motive*

In hopeful activity and useful occupation there must, indeed, always be exceeding great reward. But to have achieved a certain degree of leisure lies at the very essence of progress in civilization. Herein lies the value of the periodic

*The value  
of leisure*

## CHAP. I.

*Shortening  
the hours  
of toil*

day of rest, the occasional holiday or half holiday, and, above all, the gradual shortening of the daily hours of labor for all classes of workers; provided, however, that the shortening of hours is attended by such training and education, and is surrounded by such opportunities, that leisure from toil is likely to be filled with pleasing and improving activities. Under certain phases of the old competitive struggle for existence a man's toil for livelihood often occupied fourteen or sixteen, or even eighteen hours out of the twenty-four, and it meant the whole of life.

But where men work only eight or nine hours, with a reasonable prospect that a few years hence they will work only six or seven, the whole situation changes. It becomes relatively less vital that they should struggle absorbingly to rise from the status of journeyman to master, and from that of master to the man able to retire from a business that always kept him absorbed and breathless, only to find himself unfit for anything except to accumulate adipose and to indulge somnolence in a stupid and reactionary old age.

*Compensation in  
the use of  
free time*

In the better time to come, when work for ordinary workers of reasonable intelligence shall have taken on the coöperative as distinguished

from the competitive aspect, and when the triumphs of invention and of highly organized production and distribution shall further have shortened the hours of labor, the son of toil may find ample compensation, as he goes along, in his personal freedom, in his ownership of himself. He may find himself in possession of time enough to cultivate a flower garden, if that is what he likes; to acquire languages and study comparative literature, if such be his bent; to experiment in a laboratory; to cultivate the art of music, or, in short, to offset the monotony of his necessary vocation by the variety and charm of his avocations.

*The chance  
for  
avocations*

Surely no one will say that this is a fanciful or visionary forecast, inasmuch as it is highly obvious that in very many fields of human endeavor that type of man has already made his appearance. The world is steadily moving toward the position in which the individual is to contribute faithfully and duly his quota of productive or protective social effort, and to receive in return a modest, certain, not greatly variable stipend. He will adjust his needs and his expenses to his income, guard the future by insurance or some analogous method, and find margin of leisure and oppor-

*A forecast  
already  
finding  
realization*

## CHAP. I.

tunity sufficient to give large play to individual tastes and preferences. And thus he will counteract any stagnating or deteriorating effects that might come from wearing the harness of his regular craft or calling day by day.

*As in  
German  
and Eng-  
lish civil  
services*

One might illustrate by comment upon the small-salaried, well-educated civil-service officials of Germany, who as a class are remarkably contented, happy, and useful; or the military and naval officers of all countries in times of peace; or the class to whom I have already referred, engaged in this and other countries in the work of education; or the better class of trained and steadily employed men in the service of great railway, banking, insurance, and other corporations; or the class of highly instructed men employed in many branches of the public service in England, who render a fair equivalent for the salaries they obtain, and yet achieve leisure enough, many of them, to attain a fair place in literature and science, or otherwise to gratify their individual tastes. There are few such sources of satisfaction as to feel with the poet that one's mind is his kingdom, provided only that one has some little leisure in which to occupy the throne.

*And in  
business  
corpora-  
tions*

Just as the ultimate goal in a democracy is not strife and discord, but political harmony and concord, even so in the economic life of the community, the better hopes reach far beyond the wastefulness and strife of the old competitive system and demand the substitution for it of coöperative methods and scientific organization. From this new period of unified effort upon which we are entering let no man think there can be any return to the competitive system as it has existed heretofore. These are movements too fundamental to be vitally affected by hampering statutes or decisions of courts. Just as trades unionism could never be destroyed by English conspiracy laws or by the American device of injunctions, even so the unifying of transportation interests and the scientific organization of industry will make steady progress, not to defy Sherman Acts and judicial mandates, but to obey those more fundamental laws and principles that have come to operate with a momentum now practically irresistible.

CHAP. I.

*Harmony  
is the  
economic  
goal*

*There can  
be no  
return to  
competitive  
conditions*

We are certainly then to have this new, close organization of industry. We cannot make water run uphill, but we can often do something to fix its channel and direct its course, and divert what

*Control  
of the  
massed  
economic  
forces*

## CHAP. I.

might have been the harmfulness of the flood to useful and fructifying ends. We may be sure, then, that in our new economic society this question of *control* will be of vital importance, and that it will be settled in the light of experience, on the basis of efficiency and of the greatest good to the greatest number.

*Three  
possible  
methods—*

*(1) con-  
centration  
in a few  
hands*

*(2) control  
by the  
state*

*(3) by dif-  
fusion of  
ownership*

Three methods of future control are readily conceivable. One method is that of control by individuals or by syndicates composed of comparatively few men, whose fortunes may be told in hundreds or in thousands of millions. The second method is that of the radical enlargement of the functions of the political community, so that the people themselves, organized as the city, the state, the nation, may assume control, one after another, of the great common services of supply, and the great businesses and industries. The third method is that of the gradual distribution of the shares of stock of industrial corporations among the workers themselves and the people at large, until in one service or industry after another there shall have come into being something like a coöperative system, managed on representative principles, analogous in some measure to the carrying on of our political institutions.

## CHAP. I.

I have the impression that we may see something in this country of all three of these methods operating side by side. Doubtless in some large industries we shall for a good while witness control concentrated in the hands of a few individuals. They will hold this control, however, subject to the inevitable laws of diminishing returns on capital and of an ever-improving status for the intelligent employee. I may be wrong in my observations and impressions, but there has seemed to me to be a marked tendency toward the gradual elimination from industrial control of the capitalist as such, and the substitution for him of the skillful administrator. But the administrator — whether of the great railway systems, like M. de Witte, formerly head of the Russian system, or Mr. J. J. Hill, or of a great manufacturing enterprise — is produced in the business itself, and comes to the front through force of merit and ability.

*The three methods may operate together*

*The administrator supersedes the capitalist*

Recognizing this fact, the great capitalists who wish their sons to maintain any actual hold upon the conduct of business see the necessity of having them taught in a practical way, often beginning at the very bottom of the ladder. The larger the transportation and industrial corpora-

*Corporations at the mercy of the public*

## CHAP. I.

*Efficient  
men  
brought  
to the  
front*

tions become, the more they are at the mercy of the public — of the state, on the one hand, and of their employees on the other. The influence of the state will be to make for publicity and for methods that tend to steadiness, and through taxation as one method, and direct or indirect regulation of rates and prices as another method, the community will check the accumulation of undue or monopoly profits. On the other side, the employees will insist upon gradual amelioration of their own status. Such conditions will of necessity bring efficient men to the front in the organization of labor, and not less so, certainly, in the administration of the business from the standpoint of capital.

*Better  
relations  
of labor  
and  
capital*

And with improved intelligence on both sides there will come better and closer understandings, with the prospect that periodic agreements upon wage scales and conditions affecting labor will come into common use, and that not only will mutual respect and confidence be greatly enhanced, but the opportunity of the individual workman to advance through efficiency and to pass from the inferior to the superior side of the situation will be made easier.

In France, where the habit of saving is very

highly developed, and where capitalistic control is not quite so firmly centered in the hands of particular individuals as in England and the United States, the tendency is toward the wide distribution of the share capital of railways and of other enterprises among the people who belong to the great working class, particularly to the class of skilled and intelligent workers. In Germany, on the other hand, the tendency is rather strongly in the direction of the increase of the direct industrial functions of the municipality or the higher government — the employees of railways, telephones, and the like assuming the status of civil servants and public employees like our letter-carriers.

CHAP. I.

*Diffusion  
of owner-  
ship in  
France*

*Public  
ownership  
in  
Germany*

Within the sphere of the municipality itself this tendency toward increase of function, and therefore toward the absorption of an increasing proportion of the community into direct public service, is particularly strong in the cities of England and Scotland, in nearly all of which there is on foot at the present time a movement for the direct ownership and operation of local transit lines. This movement follows upon longer experience in operating gas and electric lighting, as well as water supplies; and upon the experiment of

*Same  
tendency  
in British  
cities*

## CHAP. I.

direct employment as opposed to the contract system in the making of streets and sewers, and various other kinds of public work.

*With  
efficient  
govern-  
ment  
either  
policy  
would  
work*

I do not know at all what lines of public policy in these matters we shall have preferred to adopt in the course of the average period of active life and work of young men now concerned. But of one thing I am entirely certain, and that is that there has never been such a hopeful outlook for the sane and wise dominance of the best average intelligence. I would have a government so efficient, whether of the city or the state, that it should become a matter of comparative indifference whether the government carried on a service directly for the people as a coöperative community, or whether it secured the interests of the citizens through the proper regulation and control of a private corporation whose shares of stock should themselves be widely distributed.

*Present  
functions  
must find  
better  
perform-  
ance*

In any case we shall need very strong, capable governments, because the increasing intelligence and refinement of the community will demand that those things now undertaken by the government shall be managed with a far higher degree of skill and success than heretofore. The preparation for this high average improvement in the

tone and quality of government, whether local or general, must simply come about, as one readily sees on reflection, with the improvement in the intelligence and moral sense of our citizenship at large — along with the growth of a more acute sense of the practical value of the community's efforts to the individual citizen.

CHAP. I.

More, rather than less, shall we rely henceforth on the principle of democracy; and more, rather than less, shall we be obliged to adopt the policy of leveling up the many, even if it were only for the benefit of the few. Henceforth the rich man and the talented man, quite as much as the poor man and the man of ordinary parts, are to find their security and their prosperity in a community so ordered as to make for the general comfort and the general welfare.

*We must  
rely on  
the prin-  
ciple of  
democracy*

The community as a whole will become the repository of such priceless and varied wealth, the administrator of such vast resources, the provider of so many things desirable and useful — that its services will call for and receive the best talent; and no one will be so sufficient unto himself that he can afford to be indifferent to the success of the public administration.

*Growing  
wealth  
of the  
community  
itself*

It is a very great thing to have attained to some

## CHAP. I.

*The  
emergence  
of the ideal  
city**What it  
will pro-  
vide for all*

sort of clear conception of the possibilities of the ideal city of the future. Already that ideal city is emerging. Its elements to a large extent already exist, some in one place, some in another, all of them capable of transplantation and entirely compatible with one another. Thus the city with an ideal water supply is not debarred from possessing ideal schools and public libraries. The city that has perfectly paved and well-cleaned streets may have everything else that makes for health, attractiveness, safety, and pleasure in the public appointments. No private schools can possibly be as good as the free public schools of the United States are destined to become in the due course of time. No private museums or galleries of art, no collections of scientific objects, no libraries, no monumental art or architecture could possibly, in private hands, attain such importance as that which will belong freely to all the people in common. No private grounds could equal our public parks as they are destined to develop. No individual could conceivably so surround himself with safeguards for the health of himself or his family as the community will supply to him and to its humblest citizen alike.

Thus the evolution of the new order of things is to give us some approximation toward the ideal of the modern city with its low death rate, its admirable facilities for education, recreation, and physical culture; its improved industrial conditions; its well-guarded housing arrangements; its clean streets — free from dust and largely free from noise; its pure atmosphere — with smoke abolished; its playgrounds; its public baths, and its varied opportunities for the use of leisure.

While the present tendency in the re-grouping of population, under which the large towns are growing, is doubtless to continue for some time to come, the contrast between city and country life will become less marked; for with the readier access of the children of the towns to the out-of-door and open life of the country, there will also come about a great movement for supplying the country itself with some of the advantages of the town through the coöperative agencies to which I have alluded. The populous community of the future, even more than of the past, must stand firmly by the principle of democracy. One of the chief objects must be to equalize conditions, to lift men up in the scale of being, and to fit the

*An equalizing of country and city conditions*

## CHAP. I.

oncoming generation in the best possible way for responsible citizenship.

*The  
reality of  
social  
progress*

When one compares the conditions of life in the great towns as they commonly were twenty-five years ago and as they are at their worst to-day, with those conditions that we now see can be feasibly supplied to all, we get a new sense of the reality of social progress. For it is nowadays regarded, not as a wild dream, but as a fairly sober and reasonable proposition, to demand that the poor man may at least live in a model tenement, on an asphalted street, with pure air to breathe and with pure water to drink; that he may be surrounded by marvelous safeguards in the way of health protection and police and fire protection; that he may send his children to the very best of schools; that in the evening he may read the best of books from the free public libraries, by gas or electric light cheaply furnished; that he may hear the best lectures without price; may attend excellent free concerts, visit beautiful parks, public museums, and galleries of art, look upon noble architecture and monumental statues with a feeling of pride and a sense of common possession; that he may ride swiftly and luxuriously in public vehicles at small price, and that

*What has  
already  
been  
achieved*

he may be safeguarded against the worst dangers of illness or old age through one form or another of benefit funds or social insurance.

CHAP. I.

The community which professes to do all this for its members is at once minimizing the disadvantages of the laboring man and lessening the peculiar advantages of wealth. For the poor man, too, under the eight-hour system, is to have his leisure, his books, his music, his pictures, his parks, his opportunities of quick travel, his swimming bath, his gymnasium, his golf course, and a hundred advantages that were wholly out of reach even of the well-to-do man living in towns forty or fifty years ago.

*The poor man's new acquisitions*

And if it is reasonable to hope for so much for the intelligent workingman — as the new social order develops and the ideals toward which society is working come into fuller realization — surely the man of higher education, more complete training, or more perfect moral, mental, and physical self-control is also to find things better rather than worse for himself. Least of all should he fear lest there be somehow a diminished opportunity for him to play some fitting part in the world's activity, and to reap some fitting reward. The margin of individual risk is destined to

*The hopeful outlook for the superior man*

## CHAP. I.

diminish. I think it true, also, that the margin of opportunity for obtaining very exceptional advantage over one's fellows in some particular directions is also to be diminished. But there will be corresponding increase in the opportunity to earn honorable renown by the full devotion of one's talents to the social good in any chosen field.

*The  
general  
trend of  
progress*

I hold that the general trend of progress at the present time lies before us with exceptional clearness; that life offers rewards and opportunities, as never before, by virtue of the new social and industrial organization; and that the outlook is bright with hope, through the transformed environment that the community is providing for the individual, and through the widening field of opportunity, in consequence, that the individual finds for activity and service among his fellows.

## **PRESENT ECONOMIC PROBLEMS**



## CHAPTER II

### PRESENT ECONOMIC PROBLEMS

DISGUISE the fact at times as we may, the economic life has been the absorbing and dominating interest with the American people for many years past, and it bids fair to hold the central place for a generation yet to come. There are two ways to deal with this fact, according to our conception of its meaning. On the one hand, we may apologize for it, deprecate it, condemn it, and endeavor to combat it. On the other hand, we may accept it, fall heartily into line with it, find its rational and philosophical basis, and endeavor to make it harmonize with a social progress not altogether gross, or material, or worldly.

There are to-day radically opposed theories as to the proper and desirable trend of our economic life. For example, there is the socialistic theory; and this is advocated from two wholly different standpoints. Thus we have the standpoint of those who believe our present system of private ownership and direction of capitalistic wealth to be a failure beyond remedy. Then, there is the

*"Business" as  
an absorbing  
interest*

*Theories  
of the  
Socialists*

CHAP. II.      standpoint of those who take the more cheerful view that an evolutionary process is bringing us, along a more or less stormy but not very dangerous path, to a gradual socialistic extension of the economic functions of government.

*The worshippers of private property*

Over against those who belong to one or the other of these socialistic schools of thought are those who view all such tendencies with alarm, and believe that the private ownership and exploitation of wealth lies at the very corner stone of our social well-being, and must so remain. Yet again, there are those who are opportunists, or experimentalists, and who are willing to see adjustments and compromises from time to time. They do not think it necessary to subscribe completely to the doctrines of the socialist, nor yet to those of the individualist.

*The cheerful opportunists*

*One great point of agreement*

But the thing I wish to emphasize is the point that, however much these exponents of theory — these advocates of one policy or another — may differ in their views as to the control and direction of wealth, they all agree about one main proposition; namely, that the production and distribution of wealth constitute the most absorbing interest and the most dominant problem of our American life in this generation.

Now, I also am of the opinion that this is quite true, — although I should not like to be deprived of the right to explain why I so believe it. It is not for its own sake that I should regard wealth as the all-important thing, or the economic life as the dominating interest. I think of wealth as a means rather than as an end. And I regard the intense pressure of the economic motive, in the activities of our people, as an evidence of the coëxistence of other motives, and as a token of the growth of those wants and desires that belong to a higher civilization and a better life.

CHAP. II.

*Wealth  
as a means  
to other  
ends*

Young men upon the threshold of active careers will find many phases of American economic life assuming the form of public and social problems about which they must have opinions, and with reference to which they must join their fellows in taking action. We ought at the outset, therefore, to be wholly free from certain prejudices and misapprehensions about the nature and desirability of wealth. Such states of mind have become rather widespread in this country, for reasons natural enough and easy to understand.

*As to  
certain  
prejudices*

In the early part of the last century, disaffected trades-unionists sometimes destroyed machinery and burned factories. In the effort to get a fair

## CHAP. II.

*The  
hostility  
towards  
capital*

*Due to  
confused  
thinking*

*Wealth  
production  
not to be  
neglected*

distribution of results from the combined use of capital and labor, there has often come about a hostility toward capital itself, which, of course, as you know, is based upon a fallacy. In like manner, the control of great masses of wealth (capitalized in the form of railways, or industrial agencies) by a few individuals, or by great corporations centered in a few hands, has often been unwisely or unfairly exercised. And in the popular mind there has been some natural confusion, so that indignation against the abuse of economic power has been directed against economic forces in themselves, as if capital were an evil.

I will not for a moment suppose that any of you are in serious danger of entertaining a fallacy of this sort. Yet we are all more or less influenced by popular prejudice; and in our righteous zeal for the correction of economic evils, and the more perfect distribution of wealth among the people whose efforts go to produce it, we may be in some danger of losing sight of the fact that wealth must exist before it can be distributed, and that the productive processes, as well as the distributive, are not to be neglected.

The real task, of course, that presents itself to each generation in turn, is the bettering of its

social life, so that it may transmit to the generation that is to follow all the heritage of good it has itself received, with some enrichment and addition thereto. And on this platform, in this university atmosphere, at the end of an academic year, I should indeed seem both obtuse and ungracious if I should ignore the fact that this transmission of our heritage of civilization might best be expressed in educational terms. For we have received treasures of knowledge, and many uplifting ideals, which it is one of the chief duties of the academic world to preserve and to pass on in endless succession.

*The  
process of  
transmission*

But in the earlier generations, it was the privilege only of a very few to enter the temple where the sacred fire of mental and spiritual enlightenment was kept alive. And this, let me remind you, was for the very simple and sordid reason that the world was poor.

*Poverty  
in older  
times*

Those were the days of favored classes, when a few were rich, powerful, and dominant, a few were learned and refined, and the great mass of men were in slavish subjection because of ignorance and of poverty. The past century has revolutionized everything. And the chief agency of human emancipation has been the creation of

## CHAP. II.

*Capital  
the chief  
agency of  
progress*

wealth or capital in the modern sense, due to a series of innovations following one another rapidly, and best characterized in a word by reference to the utilization of steam power, the development of the factory system, and the building of railroads.

*The  
growth of  
recent  
wealth*

It has been so often said that it has become a commonplace, — yet at this point it may well be said again, — that nowadays in every decade we are probably creating more real wealth in the world than had come into existence, in countries having our kind of civilization, through all the ages, up to nearly the middle of the nineteenth century. New England in the early days and Virginia — and later our westward valleys — were able, out of the first freshness and richness of the virgin soil, to give a sort of economic independence and rude comfort to a limited population at a time when land was free to all comers. But the great, complex structure of American civilization has been built up through the addition to our primitive agriculture of further costly and elaborate economic processes.

There was virtue, intelligence, and a certain charm about the primitive American life. But all observation and experience go to show that it

could not long have held its own. The pioneer stage is temporary and transitional. It must evolve into something more complex, or it must inevitably decay. The log-cabin life, in the first generation of determined people who face the wilderness conditions in order to plant the beginnings of civilization for posterity, is compatible with a certain dignity of manners, and with a fair degree of intellectual culture.

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*The  
primitive  
American  
life*

But when in any given region the log-cabin period takes the form of an arrested social development, and lingers on into the second, the third, or the fourth generation, — then the physical, the moral, and the mental prowess of the forefathers has a tendency almost wholly to disappear. Marks of degeneracy become apparent; and it is plain that the only salvation of such a region, which has failed for itself to grow into more advanced and complex economic and social conditions, must be the sheer injection, from without, of the transforming hand of modern capitalistic enterprise.

*Stagnation  
in the log-  
cabin stage*

The destruction of the poor is indeed his poverty. And the emancipation of poverty-stricken regions must come about through an economic new birth. Let us look for a moment

*Economic  
revival  
in certain  
regions*

CHAP. II. concretely at processes now going on very rapidly in certain parts of our Southern states, in order to illustrate the slower process of evolution that has been at work for a century in England, France, Massachusetts, and some other parts of our own country.

*The  
Southern  
mountain  
districts*

Undoubtedly there could be named considerable districts, perhaps whole counties, in the upland or mountainous parts of several Southern states, where as recently as twenty years ago there was scarcely a house really fitted for human habitation, scarcely a district school better than a cabin or a shanty, and scarcely a teacher fit for the simplest tasks of the teaching profession. In those regions there was perhaps scarcely a mile of road that could be traversed at all times of the year by a carriage, and scarcely any evidence whatever of private thrift or progress, or of public associated life.

What had gone wrong with those regions? They had been settled in the beginning by a brave and hardy stock. But the conditions of progress had been lacking, and as the freshness and spirit of the first and second generations passed away, there had followed the unavoidable decline that goes with poverty and stagnation of life.

Yet in many neighborhoods that fifteen or twenty years ago answered to some such description as this, there has come about a most marvelous transformation. Some capitalist or business corporation has developed a water power, built a factory or a mill, opened a mine, started a town, given steady work to the men and women who had been half occupied with the scanty operations of their hillside farms and their log-cabin homes. And the change that has come about has been like the brightness and hope of day, following the darkness and dread of night.

*The  
arrival  
of the  
capitalist*

Hundreds of families that had lived in unwholesome cabins now occupy houses of several rooms, with modern comforts. Steady work, regular hours, money with which to buy proper food, suitable clothing, decent abodes, and the modern appointments of a decorous home life, have within two decades brought these backward communities into line with the life and progress of the outside world. The good schoolhouse, with proper appointments, and the well-trained and inspiring teacher have made their appearance, and the children are living in contact with the modern world of ideas.

*Social  
transformations  
of the  
factory  
life*

From such quickened and revived neighbor-

## CHAP. II.

*How  
wealth  
brings  
civilization*

hoods it is not difficult for the ambitious boy or girl to make his way to the nearest college or university about which his teacher gives him hopeful advice. It is the introduction of wealth in the form of industrial capital, providing remunerative work, and creating and distributing new wealth, that has thus completely changed the aspect of life in these once hopeless neighborhoods. There had been no schools worth the name for two reasons: first, because intelligence had so declined that the demand for good schools did not exist; and second (and chiefly), because there was not enough social or neighborhood wealth that could be drawn upon to build a good schoolhouse or to pay a good teacher.

*Popular  
culture  
requires  
diffused  
prosperity*

In short, all the conditions of American life demand an educated, efficient democracy. It will not answer, as in former generations, to give culture and training to the few. Yet there cannot be culture among the masses of the people without such a diffusion of wealth as will support culture. There must be taxable wealth in the state, in the county, in the neighborhood, if there are to be good schools, good roads, and those facilities and appointments that are recognized as making up the irreducible minimum of advan-

tages to which in common decency every self-respecting American community now has a right to aspire. Your temples of knowledge and culture must be multiplied and opened to everybody, and this can only come about with the large growth of capital and the diffusion of wealth.

CHAP. II.

*So there  
must be  
taxable  
wealth*

We are indeed face to face with some public and social problems that have to do with the wiser and better control of masses of accumulated wealth used in production. And it is my purpose, after a few moments more, to say something about these aspects of our economic life. But let me dwell for a moment longer upon the point that I believe to have been too much neglected in our recent economic discussion. It became the fashion to say, some twenty-five years ago, that from the days of Adam Smith's great work on "The Wealth of Nations," down to the days of Henry George's "Progress and Poverty," the chief trend of economic thought, as well as the chief function of practical economic forces, had to do with the production of wealth. But from that time forth, — so went the dictum, — the foremost question had come to be the distribution, upon a more equitable plan, of the relatively

*Dicta  
regarding  
production  
and dis-  
tribution*

CHAP. II.      plentiful means of life that the new forces had brought into being.

*The  
captivating  
partial  
truth*

A partial truth is often very-captivating. And it is quite true that the great increase of economic means, already realized in civilized countries, ought to find expression in a vast enhancement of the average welfare. In other words, the standard of living ought to have advanced. Workers ought to have secured shorter hours of toil, ought to be better fed and clothed, ought to live in better houses, ought to have far better private and public opportunities for the comfort and welfare of their families than half a century ago. Mr. Henry George and other writers took the ground that modern wealth production had fallen far short of its reasonable promise, as respects these advantages to the people at large. I am not taking issue with Mr. George, or dealing contentiously with any phase of this subject. But whether or not the governmental or legal conditions under which our economic life has developed have to some extent stood in the way of the just and fair apportionment of benefits, there has in the main been freedom of economic opportunity, and there has been a very widespread, even though insufficient, apportionment

*Benefits  
already  
accrued*

of the yearly results of economic effort. In other words, the hours of labor are much shorter, the standard of living is much advanced, the refinements of life are far more accessible and better distributed now than ever before. CHAP. II.

The doctrine that seems to me to have been neglected of late is this; namely, that while applying ourselves to the correction of injustice in the dividing up of the results of productive force, we must not forget that what we chiefly need is the still larger accumulation of productive capital, on the one hand, and the still larger fund for distribution and consumption, on the other hand. What we are really working for is the abolition of poverty, in order that there may be yet more of leisure, and refinement, and culture in the lives of all the people. *Yet the chief need is further production*

With the right kind of education, allied as it is with the wonderful discoveries of modern science, we know that culture and labor can go hand in hand. Shall we then fear the further growth of wealth and prosperity in this country? Shall we allow ourselves to believe that poverty is wholesome and that wealth is demoralizing? Shall we apologize for making two blades of grass grow where one grew before? Shall we *The object is to abolish poverty*

## CHAP. II.

look askance at the man who is diligent in business, and whose thrift and energy give him control of productive capital, the use of which ameliorates the condition of an entire neighborhood?

*An instance of work for enhanced production*

We are afraid of these things only when we state them argumentatively, or in abstract terms. Let us look at some of them concretely, because I am intending in this talk to young men to deal with the philosophy of things that they are going to find very practical in their future work. I have more than once had occasion to speak of a Western professor of agriculture, who began some three or four years ago to teach to his state the doctrine of scientific selection in the choice of seed corn. He had experimented very carefully on the state agricultural farm. He gave the results through printing press and word of mouth to all the farmers of a great agricultural state. He showed them how they could immediately increase the corn crop, by a good many bushels to the acre, every year. His efforts at once added millions of dollars to the yearly income of the farmers, and at least a hundred million dollars to the permanent value of the farm lands of the state that employed him.

This, then, is exactly what I mean by preaching the gospel that further wealth production is what we need, and that if we go about it broadly and intelligently we shall do good and not harm, so that the question of distribution will have a tendency to take care of itself. Whatever, then, one may say about the demoralization of wealth in the abstract, when it comes to a concrete case, nobody really believes that the wealth of the farmer who has grown rich because he has farmed wisely and intelligently, is half so demoralizing as the poverty of his neighbor, who has remained poor because he has not brought his land up to its reasonable possibilities.

I might cite as another instance the great prosperity that has come to certain parts of Louisiana and Texas through a new kind of rice farming, introduced by a representative of the Department of Agriculture, who is a man of great learning, practical sense, and desire for the progress and welfare of the country. Or I could take, for further example, the great fight of the cotton growers of the South against the boll weevil, and the enormous enhancement of wealth due to experiments and efforts in the field of an improved cotton culture.

CHAP. II.

*Wealth  
rightly  
produced  
not  
demoraliz-  
ing*

*In the  
field of  
agriculture*

## CHAP. II.

*An in-  
stance in  
the mineral  
field*

Recently we were reading in the newspapers of Mr. Edison's journeyings through this region in search of deposits of a metallic substance called cobalt. Far be it from me to tell you anything about cobalt and its uses, but Mr. Edison is reported to have said that its finding in ample commercial quantities would make storage batteries so much cheaper, that electric automobiles would banish truck horses from the streets, and come within the means for pleasure purposes of many a family that otherwise could not indulge in that form of modern diversion.

*A new  
commercial  
substance*

Surely nobody supposes that Mr. Edison's discovery and utilization of supplies of cobalt could be otherwise than commendable and beneficent. A great industry has been built up in recent years through the invention of processes that give to the world for many uses at a cheap price the metal called aluminum. Such developments add at once to private wealth and public weal; and to deny it is to abdicate common sense.

*No alarm  
in the real  
processes  
of wealth  
production*

When, therefore, we talk in abstract terms about the growth of wealth and its dangers, we give ourselves a kind of alarm that disappears when we face directly most of the real processes by which wealth is created and accumulated.

## CHAP. II.

It is Professor Holden teaching the farmers how to raise corn; it is Dr. Knapp promoting rice culture; it is somebody else fighting the boll weevil; it is the inventor who gives us aluminum or the electric light, or the cyanide process for the reduction of low-grade gold ore, — it is these men, and many others of whom these are examples, who are producing the enhanced wealth of the country, and they are engaged in a mission of great beneficence. The enlarged corn crop of Iowa will send many a boy and girl to college who would not otherwise have gone. It will increase the taxable basis and provide many an improved country school and many a mile of good roadway; and the scientific work of your own university laboratories will have so unlocked hidden treasures of mineral wealth in your own state as to accomplish like results.

*What it  
means in  
practice*

The more energetically you turn your attention to the further development of the resources of wealth lying all about you, working in the right spirit and under modern conditions of fair play, the better it will be for everybody in the community. We have scratched the surface of the country from one ocean to the other, and in many parts of it we have exhausted the first richness of

*The thing  
that is to be  
done*

## CHAP. II.

the soil. But in the very nick of time scientific agriculture has come to our aid; nature study tends to alleviate some of the drudgery of life on the land; the telephone, free rural delivery, cheap and abundant reading matter, better means of transit, and many other modern facilities, give fresh hope and courage to the people who till the soil.

*The  
intensive  
methods*

Thus we shall increase and multiply the wealth produced from the land as the years go by, and as our farmers apply scientific knowledge and the intensive methods of culture. In like manner we shall train and develop the inventive genius of the boys, whether of the mountain side or of the city, and add untold wealth to the community through new industrial processes and a higher utilization of human skill and resource.

*Growth and  
power of  
individual  
fortunes*

But, some one may fairly object, while it is true that all this great coming development of prosperity through improved knowledge and skill, the better use of the soil, the opening of mines, the utilizing of electric power, and the perfection of industrial processes cannot be harmful and must be of general benefit, what is there to be said about the monopolistic power of individual fortunes grown so great that they seem beyond all social control?

It would be useless to deny that the existence of these colossal fortunes is very generally regarded by thoughtful men as to be regretted. But it cannot now be safely said with certainty that such fortunes are destined to constitute a menace in the future. Their vastness has been due to conditions that must be frankly studied, and that must in some respects be severely changed.

CHAP. II.

*Are they  
a menace?*

In mediæval days, the barons built their castles on the cliffs along the Rhine, armed their retainers, and took forcible toll of the merchants and traffickers, all the way from Switzerland to the Netherlands, who used the river as their main highway of trade. And thus the barons became rich and powerful. And they seemed, indeed, to constitute a serious menace to the general welfare. But as civilization developed, the feudal customs and tyrannies disappeared. The castles fell into ruins. In due time there were railroads on both banks of the Rhine, and a wholly new set of problems confronted those who bought and sold and trafficked in merchandise along the Rhine valley with its rich cities and modern activities.

*The  
robber  
barons of  
olden  
time*

*Changes  
on the  
highways  
of trade*

You will already have anticipated what I am going to say. We created our railroad system in this country under conditions of bold private

*How we  
built our  
railroads*

CHAP. II. initiative, crass speculation, and total failure of government on the one hand, and public opinion on the other, to understand the true functions of the railroads as common carriers and public highways. The government gave away imperial zones of land, and lent its credit to syndicates and companies to get the railroads built. Then, in turn, the railroads trafficked in land and town sites, promoted manufacturing enterprises, and competed with one another recklessly and furiously for traffic with which to keep from falling too frequently into bankruptcy courts and receiverships.

*The speculative era*

*A system of railroad favors—*

*Which gave rise to the new kind of "magnates"*

The consequence of this system was that every merchant or manufacturer secured from the railroad the best rates he could get; and the more powerful the shipper, the larger was the secret rebate he was able to obtain, to the disadvantage of other competing shippers in his own line. And thus arose a system of favoritism in the employment of the great highways of commerce that built up the wheat and grain magnates owning elevator lines; the beef and packing-house barons; the iron and steel and coal magnates, the petroleum monopolists, and others in their turn and their degree. It was all in its peculiar

way almost as simple, when one stops to consider it, as the system by which the mediæval barons of the Rhine took undue advantage of the trade that had to pass along that historic waterway.

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Let us not be too full of indignation against those who benefited most from an objectionable system. The smaller traders who paid toll on the Rhine would gladly have exchanged places with the men who owned the castles on the shores if they could, or yet more gladly with the larger traders who paid less toll. Our recent period of railway discrimination was one in which every shipper, great and small, was glad to take advantage of the best rate he could possibly get. We had to live through this peculiar period in our economic history, in order finally to come into the conception of railroads as essentially public in their nature. Many of the greatest fortunes of the country are simply due to the fact that those who had the best railroad rates could do the most business, and in a country as great and prosperous as ours, to do the most business meant to become exceedingly rich. If we were somewhat tardy in rescuing the national highways from unfair use in the interest of favored individuals or com-

*Who was responsible*

*The later conception of railroads as public*

*Meanwhile, the favorites were rich*

## CHAP. II.

panies, we seem at last to have become fairly awake to that whole situation.

And since this forms one of the essential strands in the thread of my discourse, I may be allowed to say something further, at this point, upon the railroad question as fundamental in its bearing on almost every phase of the problems of wealth production, control, and distribution in this country.

*The  
masters of  
transportation*

Naturally, then, the railroads developed some great magnates or barons of their own, under the speculative and ill-regulated system that prevailed, and it could not have been otherwise. They were not worse men in their relations to the community than smaller business men who envied them. On the contrary, in the main, they were men of large vision and great capacity, whose part in the useful development of the country was even greater than the princely rewards they took to themselves for their efforts.

*Rhine  
barons and  
merchants*

There were in those olden times to which I have referred great Hanseatic merchants who got on well with the barons of the Rhine cliffs, and who regarded the tolls they paid as for protection, safe conduct, and unimpeded navigation. And doubtless, in the alliance between the richer of the merchants and the stronger of the feudal chiefs, the

merchants got the larger share of the profit from the use of the Rhine for purposes of commerce. CHAP. II.

We need not pursue the analogy any further. The exchange of local surpluses throughout this country, made possible by railroads, has been the foremost single factor in promoting the stupendous enlargement of wealth that has come about in our own times. The railroad system has enriched those fortunate enough to control it, and it has aggrandized those who were able to make use of it on more favorable terms than their fellows. And so the great industrial magnates, so-called, in close and confidential alliance with the railway powers, have grown enormously rich; and this alliance has, in many cases, been the true secret of their growth. It is this that goes far to explain the mystery of their rapid overshadowing of competitors.

*How railroads have promoted wealth*

*The special alliances*

The time has come to see all this clearly, and it should be stated without hesitation and with utter frankness. But it is only part of the story. It has all belonged to a disappearing age of speculative development, in which not only the railroad system, but almost every other form of business activity was completely involved, in the three or four decades following the Civil War.

*Only half the story*

## CHAP. II.

*The  
mitigating  
conditions*

The misuse of the railway system to some extent, — harmful as it was to the victims of a favored and rebated competition, — did not outweigh its general advantages. The undue wealth of the barons of transportation and industry was, and is, small in comparison with the vast distributed accumulations that have gone to the enrichment of thousands of communities and millions of individuals, through the opening up of 200,000 miles of commerce-bearing steel highways in the United States.

*The real  
test of  
wealth*

Always keep in mind the two kinds of wealth; namely, that which consists in the control of the means of production, and that which signifies abundance for purposes of use in consumption. The man who owns great New England shoe factories has large capitalistic power; but the final test of wealth is in the ability of the people in general to buy and wear all the shoes they need. In this country, thus far, the great fortunes have not been used very wastefully. They simply mean a centering of control over capital engaged in producing things. When such capital is managed efficiently, the results must, of necessity, in the main, be distributed to the community at large in the form of commodities that enter into

*What the  
great  
fortunes  
mean*

common use. The shoe manufacturer's wealth — in the form of control over factories and machinery — would speedily disappear but for the diffused wealth of the people which enables them to buy his output.

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*The capitalist's dependence*

But the truth is that productive capital is increasing very rapidly, and must continue to do so; and that those now in control of it have an advantage over others in securing control of further new increments of capital. We shall have to go on even more than heretofore with production on the large scale, backed up by accumulated capital. And the control of that capital should not rest so largely in the hands of a few. At some points, the government should, directly or indirectly, share in the control, while at other points there should be a wider subdivision of control among private owners.

*Control of capital is too much concentrated*

A perfectly fair use of railroads will have much to do with checking the tendency toward the dangerous concentration of capital in a few hands; and when the tendency is checked, the problem loses its immediate urgency. It may then safely be left for those solutions that will come with longer time and more thorough study.

*First, let the railroads abolish favors*

Thus, thirty years ago, the problem of land

## CHAP. II.

*How  
problems  
lose their  
urgency*

monopoly in Ireland seemed frightfully urgent; but it is now working itself out on just and wise lines with everybody's rights fairly observed, and with new methods of farming, and of coöperation in country life, now promising at an early day to transform completely the Irish peasantry. It all began with laws to regulate the rent system, and to mitigate the evils of absentee landlordism.

*The way  
of relief*

In like manner we shall in due time work out the problems involved in the overweening control of railway and industrial capital by a few people. And as Ireland's regeneration began with laws to secure a fair land system, so our relief from some of the evils and dangers of monopoly and concentrated wealth power will come with laws — national and state — to secure a reasonable and impartial use of the means of transportation.

*The hopeful  
view-  
point*

We are in the very thick of newspaper sensations and industrial and political turmoil just now, because these evils of wealth control and of corporate management have been coming into the light as never before. But it is not the time for a depressed view of American life and affairs. Exposure and criticism had to precede thorough-

---

going relief. And it is not when evils are in process of remedy that there is most ground for discouragement, though the process may be highly disturbing and painful while it lasts.

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When real emergencies come, the people of the United States are usually right-minded and efficient. The important task before them now indicates nothing else so much as it does a wholesome growth and progress. The body politic has vigor and health. Therefore it throws off what would otherwise bring decay.

*The task  
of gov-  
ernment*

The use by the federal government of the power to regulate interstate commerce, and by the states of their power over common carriers and chartered corporations, was never so necessary as now, and the railroads will not be the least of those benefited.

For the most part, the railroads came into being as a part of the means for opening up a new country; and our conditions created a race of men with whom individual and private initiative was stronger than anywhere else at any time in the world's history. A great part of the railroad mileage of the country was built in advance of actual needs, and the population and wealth of regions traversed by the new lines had to grow up,

*The  
men of  
great initia-  
tive*

## CHAP. II.

in order to give solid value to the transportation properties.

*Growing  
up to the  
railroads*

It was customary to look upon railroads not merely as private enterprises, but to regard them as of a highly speculative and extra-hazardous nature, in which investors risked much on the chance of final rewards of a corresponding magnitude. Most of the roads, as I have already intimated, went into bankruptcy sooner or later, and some of them passed through more than one period of receivership and reorganization. As the country matured, railroad property became more stable, until finally the great systems were well beyond danger of serious financial reverse. Business interests all along the lines became diversified, and it was no longer necessary for the railroads to secure traffic by favoring and building up special or particular interests.

*At length,  
the new  
conception  
of a riper  
period*

The time came when there emerged the clear conception of the railroad as a great necessary public servant, with all the obligations of a common carrier, and with no right, therefore, to discriminate for or against any of those whose business required them to make use of the public highway. The whole thing has come about by way of evolution from transient, speculative, im-

mature conditions to those of a riper period of industrial life and civilization. CHAP. II.

Yet abuses, even when naturally outgrown, are often hard to destroy. For even as the tree grows great, so also will the entwining parasite sometimes have a stronger clutch. And many of the favored industries built up on special transportation favors have been in a position powerful enough to make it difficult for particular railroad corporations to relinquish the rebates or the other forms of favoritism. It is probably true, however, that the very growth of business conditions would sooner or later have compelled the railroads to cease discrimination and treat all comers fairly, even if there had been no interstate commerce legislation. *Adjustment would have come, of itself*

However that may be, the government's power to regulate interstate commerce is a chief correcting agency at the present time; and it is helping the railroads and the shippers to readjust relations on a fair and proper modern basis. *Timeliness of the railway reforms*

The railway reforms, now coming about through government action on the one hand and evolution of business conditions on the other, are especially timely for two reasons. First, they will save us from a premature agitation of the demand for

CHAP. II.     the government ownership and operation of  
                  railroads; and second, they will encourage thou-  
                  sands of energetic men to use their brains, and  
                  such capital as they can enlist, in new efforts for  
                  wealth production.

*The alter-  
natives*

                  We had reached the limit under the old system.  
Railroads had to be emancipated, for the further  
rapid progress of the country in its varied business  
life. And if at Washington reform had been  
successfully obstructed, then the fight for govern-  
mental administration of the railway network  
would have come on in dead earnest, with our  
political conditions very poorly adapted to such a  
tremendous increase of public functions. It is  
this that gives the underlying significance to the  
recent struggles at Washington for new railroad  
legislation.

*End of the  
pioneer  
epoch*

                  The disappearing methods grew up with the  
rude forces of the pioneering epoch that created  
the new West beyond the Mississippi after the  
Civil War, that built up the manufactures of the  
East under the forcing processes of a high tariff,  
and that deserve credit for some of the achieve-  
ments of the New South. But the pioneering  
epoch, as I have occasion to show at length in  
another chapter is practically complete for the

United States; and we have to deal henceforth with the problems of a mature country. By this I do not mean a finished country, but a country ripe for a second period of intensive and complex development.

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Success is no longer waiting toward the sunset. There is no West or East, or North or South, where the young man can go in order to find prosperity assured, by merely identifying himself with the growing country. But just as fruit farming succeeded wheat lands in California, where the wheat fields in turn had followed grazing, — so in every part of the country there is great opportunity for those prepared to see how radical are the possibilities of progress in any given neighborhood.

*The  
"frontier"  
has dis-  
appeared*

Untold resources of wealth — not for the multi-millionaire alone, but chiefly for the community at large — are awaiting the further progress even of our older states. Before our hardwood forests of the mountain slopes are all converted into articles of utility, we will have learned how to maintain them in perpetuity through the methods of modern forestry. And we will have learned how private business enterprise, scientific instruction in our higher institutions, and the

*Conserving  
natural  
resources*

CHAP. II.      fostering care of state and national governments, can all work together in harmony to secure the best and most lasting economic advantages from a great natural resource like the forests.

*The  
forests*

So much for an illustration. The earlier epoch slashed the forests away in frantic haste for the sake of immediate private wealth. Scientific forestry belongs to the new period, in which public and private interests alike require that forests be used without being destroyed.

*The soil*

Take another example: the old method of farming cropped the soil, regardless of its exhaustion; the new agriculture will restore worn-out lands, find new crops, and secure results tenfold greater than those of the discarded, primitive modes of farming.

*The new  
education*

Education and economic advance will go hand in hand. And the new sort of education will especially qualify the coming generation for new and unanticipated results in the effort to improve material conditions. For every one concedes that men must work, to gain food and shelter and leisure, and the means for a higher life. And with what we know and see about us, it would be absurd to suppose that the coming men are

not to work under better advantages and with far better results than their predecessors. CHAP. II.

They will develop your mineral wealth to an extent that would now seem fabulous. They will harness your waterfalls, transmute your coal deposits, and multiply the applications of electricity; they will equalize the advantages of country living and city living and minimize the disadvantages of both, for they will suburbanize or countrify the cities, and give all sorts of social advantages to factory workers, while reducing the isolation and hardship of country life in many ways, some of which are already well begun. *What the "coming men" will accomplish*

With the needful development of private wealth, there can also be vast enhancement of the public income. And the state will need ever-increasing revenues in order to maintain the progressive standards of a more exacting civilization. Thus, the state provides schools, but the schools of the future must be very different from those of the past and the present. *The needs of the state*

In the state of New York, the best school at present for a workingman's son is at Elmira. It is a great boarding school with every kind of facility, and it gives free board, lodging, and instruction. It affords splendid physical disci- *A New York instance*

## CHAP. II.

*Training  
for  
convicts*

*Give the  
honest boy  
a like  
chance*

pline, gives as good military drill as West Point, provides proper mental and moral training, and teaches every young man a good practical trade to the point of high efficiency. It accommodates perhaps 1200 young men. Unfortunately, the state gives this admirable opportunity for fitness to enter the modern world of work only to young men whose credentials are: the proved commission of a felonious crime. The uneducated son of a workingman who will break a plate-glass window and take a watch, may hope to go to the Elmira State Reformatory Prison, whence, after two or three years, he will emerge, — stigmatized, indeed, as a convict, — but well trained for practical life, with strong physique, just ideas of public and private conduct, and the mastery of a profitable trade or handicraft.

Now, for many years, it has been clear to my mind that what the state of New York does for thousands of youths who have violated the penal code, it must some day do for the honest lad whose father cannot provide such opportunities for him. We have adopted the principle that the state is to instruct and train the young. Let us not shrink from the full application of that principle. What the state does for young crimi-

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nals, for the blind, or for the deaf mutes, and what the national government does for young Indians in its great industrial schools, we should expect to find equaled, at least, in provisions made sooner or later for the sons and daughters of all the people. And this will require a development of public, and therefore of private, wealth far greater than we have yet attained. But the wealth invested in such training of the young will be returned many times over in the results of their increased efficiency as producers.

*It will  
require  
public  
wealth*

We do not need to invoke new principles. We must simply extend and improve the application of the principles already acknowledged. We must find the true balance between public authority and private enterprise. We may find some things that the state can do for all of us better than we can do them for ourselves; but we are not going to industrialize government in our day, and we need not fear to use government to the full, where it has proper place for use. The state will not run our factories, but it will protect society from some of the dangers of unregulated competition among private factory operators. Thus, it may enforce sanitary conditions and have some rules to give as to hours of labor,

*The old  
principles  
will hold*

CHAP. II. especially where women and children are concerned.

The author of a popular novel, based upon a realistic study of conditions in the Chicago stock yards and packing houses, ends his book with an impassioned plea for socialism. His remedy is the control of productive wealth by the government. He would put us all in the uniform of the state, in order somehow to protect us from evils he discovers in the workings of the present economic system.

*Socialism  
as a  
doubtful  
remedy*

But the remedy he proposes is untried, while the evils he deplores may not, after all, prove deep-seated, and may yield with wonderful promptness to the remedies already at hand. Thus in due time the ancient Chinese learned (see Charles Lamb) that they did not always have to burn down the house every time they wanted a roast pig!

*Govern-  
ment  
and its  
relation to  
health*

Let us admit without hesitation that the care of the public health is a necessary function of government under modern conditions of knowledge regarding diseases and their spread. Europe is now saving millions of lives of little children by public regulation of milk supply. Public health measures are abolishing epidemics, such

as prevailed forty years ago, whether of cholera, yellow fever, smallpox, typhoid, or diphtheria.

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The individual cannot protect himself in these matters, and health laws and administration are a necessary application of the police powers of government. The simple question is, Does government do these things well? And I answer, It does them marvelously well, all things considered. When it began to do them, in our crowded cities, the death rate exceeded the birth rate, and human life was cheap and miserable. Already the new methods have greatly reduced the death rate of all cities, and the average longevity has increased remarkably.

*What  
government  
can do well*

From time to time new facts and instances will come to light to show that public regulation in the interests of health must occupy itself with some fresh case or in some unexpected direction. Thus governments, local or general, can inspect food supply just as they can institute quarantines and provide epidemic hospitals in case of infectious disease.

The test of old principles lies in their strength when new needs arise. Can state supervision protect the people's deposits in savings banks or life insurance companies, as against private

*The state  
can meet  
emergencies*

CHAP. II. fraud or mismanagement? If so, we need not make haste to add vast new financial functions to our state or national governments. Can aroused public opinion, supporting new laws for government supervision, rid the packing industry of the abuses about which there has been so much sensation? Then the remedies are at hand, and there is strength enough in our existing social structure to apply them.

*Food Bill  
as an  
illustration*

There has been enacted into law at Washington an elaborate measure which had been long pending, known as the "Pure Food Bill." This grew out of the conditions under which a great variety of articles that enter into the general supply of food and medicines are now manufactured on a large scale and distributed through the channels of interstate commerce. Our advance in scientific knowledge and our more fastidious standards of living require that such food products should be honest from the commercial standpoint and wholesome from that of sanitary tests. It is not that matters are at so bad a pass in this country, but that we ought to expect positive improvement.

*The packing-house  
question*

In Europe the public abattoirs have done away with thousands of small slaughterhouses, and the gain has been almost incalculable. With

us, the great packing houses, with their refrigerator car lines and their cold storage plants everywhere, have also abolished local slaughterhouses by the tens of thousands, — and in spite of all that has ever been brought to light, I assert that the packing-house system is incalculably more sanitary, in the main, than the old local slaughterhouses, with their supply of uninspected animals and their total ignorance of the first elements of cleanliness or health rules in the methods they employed. The small slaughterhouses, as a vast system, could hardly have been reformed; but the large packing houses can be made models of wholesomeness, with positive profit to all branches of industry concerned in providing the country's food supply.

*Sanitary  
progress*

As respects the articles with which the Pure Food Bill is concerned, the commercial is more important than the health standpoint. Oleomargarine is not, as a rule, unhealthy; but it is commercially wrong to sell it as butter. Glucose may be a nutritious food product, but to sell glucose for honey or maple sugar or jam, or any one of a dozen other articles, is not defensible. Pulverized cocoanut shells taken in small quantities are not harmful, yet they should not

*Principles  
of pure  
food laws*

## CHAP. II.

*Protection  
of honest  
trade*

*Still  
room for  
private  
energy*

constitute four fifths of what the people buy under the name of pepper. The chicory and the cereals which make up the bulk of so much of the coffee that is sold ready for use, do not undermine the human constitution; yet they certainly do tend to undermine the legitimate trade in coffee. The government can do a good deal to stop these dishonest practices, for the benefit of consumers on the one hand and for the protection and prosperity of the honest producer on the other.

Such are some of the points at which government touches the current economic life. This necessary assertion of the power of government and law only gives the better chance for the proper play of individual energy and initiative in the economic field. To my mind, the old, unrestrained forces of competition in business were wasteful; and the growth of comparatively non-competitive methods had in it place and timeliness. At one time the competitive system seemed beyond remedy in its reckless misuse of economic force. Then the trust system arose with its tendency toward abuses of monopoly power. And in turn the appeal of many men is to the government, with a socialistic programme, to give the final cure.

But we shall manage to keep place for private initiative and a good deal of competitive activity in the field of wealth production, while keeping the great corporations, with publicity as to their methods and a diffused ownership of their shares of stock. At the same time we shall use governmental authority freely to regulate economic forces, and we shall aim to make government so clean and efficient that we might, if necessary in the future, intrust it with enlarged business functions.

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*The true  
line of  
advance*

Some of us can readily remember a time when the very conception of a public franchise as a valuable municipal asset was a strange and unfamiliar one to our citizens. Municipal governments would from time to time give away long-term monopoly privileges to gas companies, street railroad companies, electric light companies and so on, without any serious criticism directed against them, and with apparently no appreciation on the part of any citizen that private wealth was being built up at the public cost and disadvantage. Here, again, we have come to see a new light, and we see it clearly.

*Municipal  
franchises*

We do not as yet manage these things perfectly in our cities and towns, but the old days of

CHAP. II. wanton disregard of the public right and the general welfare are gone forever. It is one thing to protect private initiative in business affairs, and it is quite another thing to permit or foster abuses that enrich one man or set of men at the expense of the community.

*A system  
to be  
reformed*

My point is that the chief fault has belonged, not to the men who have gained great fortunes through the opportunities afforded by our economic system, but to the transitional period through which we have been living. And the thing we have now to deal with is not the great fortunes or the men who hold them, in so far as their possession is legally beyond assault, but the system itself, in those parts of it which have been used to the public detriment. The principles are now clear, and what we have to do is to apply them. It is the failure to see these principles, or else the failure to believe that we can apply the remedies that is driving men to the socialistic extreme. The course of recent events would seem to prove the opposite of the socialistic argument and to show that we have ample capacity for economic reform along the line of well-established doctrines.

I have not sought to extol wealth or economic force in any materialistic spirit. Back of all effi-

cient human effort lie character and the belief in things of the mind and spirit. But I have tried to set forth some of the conditions under which the young men of to-day must do their work for the further promotion of our best civilization.

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I would have the business man professionalize his calling by understanding how serious are his responsibilities in what is preëminently the business man's age. Work done in the right spirit, with science and knowledge to guide it, and with a sincere desire for the public welfare, can be made of absorbing interest. And it matters, therefore, comparatively little what particular pursuit a young man chooses in life, if only he makes honest effort, and tries to give the best that is in him to the service of his own day and generation.

*The true spirit in business*

In our great Southern states, we have many difficulties and perplexities to face in the onward course of our social and political life. But we can make no mistake in turning our best energies to the development of our vast latent resources, as a foundation for the great structure of civilization we mean to build in that beautiful and highly favored portion of the earth. With their own trained men, and their own capital, they must

*The South's opportunity*

## CHAP. II.

*The  
underlying  
ideals*

work out amazing transformations along the line of many things already begun. When the capital invested in farms and mines and furnaces and factories begins to yield the returns we may confidently expect, let us not forget that capital invested in education is the most important of all, because it produces the trained minds and scientific aptitudes necessary for further progress.

Furthermore, there can be no great progress in purely economic directions without high ideals to inspire effort and high motives looking toward the use of economic results.

**OUR LEGACY FROM A CENTURY OF  
PIONEERS**



## CHAPTER III

### OUR LEGACY FROM A CENTURY OF PIONEERS

CERTAIN aspects of our American life and society, that are to be considered in the pages that follow, should remind us of the fact that we are now a mature country. This may not seem *A mature country* a novel suggestion, yet the bearings of it have scarcely been recognized by any element or group of our leaders in opinion or in statecraft. We have been so long accustomed to regard ourselves as a young country and a pioneering country, that we have not attained unto the recognition, as a matter of national consciousness, of the meaning in a synthetic, full way of a great number of facts which we recognize in their separate aspects.

Every one knows, for example, that we now *Our priority in certain things* make far more products of iron and steel each year than any other nation; that our agricultural output is more extensive than that of other lands; that the mileage of our railroads far exceeds that

## CHAP. III.

of any European country; that our population is larger than that of any other nation of white men excepting Russia; that our educational system is more extensive and widely diffused than that of any other large nation, and that in many material regards, and in some intellectual and moral aspects, ours appears to be the most highly favored of modern countries.

These things, indeed, might all be true; and yet such might be our extent of area and of undeveloped resources, and such might be many other practical conditions, that it could still be said that we were, relatively speaking, in the pioneering stage of our progress and our civilization. And here let me say that I do not for a moment mean to imply that the relative maturity which I affirm is in any manner to be thought of as a stagnant or passive or unchanging condition, — for just the contrary of this is what I think to be true.

*Meaning  
of the  
transition*

The stages of development upon which we have now entered in our mature national period are more complex and more profound than those of the pioneering epoch, and they involve a higher degree of activity in every sense of the word. It would be inaccurate, and therefore useless, to fix any exact date as marking the transition from

one period to another in the history of civilization in any country whatsoever. We may say, if we choose, that our pioneer period ended with the Spanish War, or with the nineteenth century. There are localities, assuredly, in which it has not yet come to its end. But I am speaking in broad and general terms. The colonizing period had begun with the first settlements, that of Virginia about three hundred years ago, of Massachusetts a little later, and of North Carolina in a scattered fashion along its tidewater frontage at a time almost as early. This colonial period we regard conveniently as having ended with the attainment of independence by the colonies and their federal union.

CHAP. III.

*The fixing  
of our  
national  
periods*

So slight had been the westward movement, before the Revolutionary War, of the pathfinders and wilderness hunters like Daniel Boone, that the exceptions only mark the main fact that it was not until well after the war that what we may call the pioneering period had fairly set in. Almost the entire population of the United States in the Colonial and Revolutionary period dwelt within easy access to the seaboard or to tidal streams. It was after that period that the movement toward the West took on so great a volume and

*The  
Colonial  
epoch*

CHAP. III. so remarkable a character from the standpoint of American history and of the making of our national life.

*The  
century of  
pioneering*

If you would know your own country in its most essential things, you must study the movement by which the descendants of our old, original commonwealths spread themselves across the continent through a period of a hundred years or more, beginning, let us say, about 1785. Kentucky was admitted to the Union in 1792, Tennessee in 1796, and Ohio in 1803. Northern New England, western New York, western Pennsylvania, and the western valleys of Virginia and North Carolina were undergoing pioneer development in this same period. Indiana and Illinois in the North, and Mississippi and Alabama in the South, came into the Union in the period from 1816 to 1819, then Maine followed in 1820, and Missouri in 1821. Louisiana, meanwhile, had been brought into the Union in 1812 under obligations incurred in the purchase from France of the great central tract of the country. These are familiar dates, and I mention them only as incidental to the endeavor to impress upon your minds the marvelous spread of the American family away from the seaboard to the Appalachian

*The  
westward  
spread  
of the  
American  
family*

valleys and through the mountain gaps to the great timber lands of Kentucky, Ohio, and Indiana, and to the warm alluvial soils of Alabama and Mississippi. These men and women not only founded new communities beyond their home states, and so brought new states into the Union, but they also developed the interior and western parts of the states which formed the original group.

CHAP. III.

*Making  
new  
states*

While this first great Western movement was mostly made up of Revolutionary soldiers, or the descendants of those who had belonged to the American colonial period, there also came a welcome and important stream — though not a vast one — of men from the British Isles, including the Scotch-Irish, who have played so important a part in the making of the Appalachian region and the states contiguous to it. And the pioneers might be said fairly to have laid a dominating hand upon the affairs of the whole country, when Andrew Jackson had become President, or certainly after we had fought the Mexican War, and had brought Missouri, Arkansas, and Michigan into the Union, with Iowa and Wisconsin following Texas. The admission of most of these states came in a very early stage of their settle-

*The  
Jacksonian  
times*

## CHAP. III.

ment, and the pioneer process of felling the forests, creating farmsteads, building roads and towns, and establishing institutions, was still very far from complete when the era of railroad building had begun and when there was reached in our history the momentous period of the great Civil War.

*Up to the  
Civil War*

Let me say a few words about the pioneers who had made the country as it was before 1860, and then something about that amazing outburst of energy — transmuted into material progress — that exhibited itself through the thirty or forty years after the North and South laid down their arms and gave themselves once more to the task of making the country great.

*Subduing  
the wilder-  
ness —  
1790 to  
1850*

In all history we can discover the records of no better or braver people than the men and women who subdued the American wilderness in the period from 1790 to 1850. They prepared it to be the home of millions of people speaking the same language and possessing the same kind of civilization, and they left to America a noble heritage of hope, courage, and faith. Our ancestors beyond the sea, whether from England, Scotland, Ireland, Wales, Germany, or whatever other European land, may have been of humble

origin, or they may have been of educated or even of aristocratic lineage. We are willing indeed to know anything about them that we can find out. CHAP. III.

But, after all, for Americans it will always suffice to trace their ancestry back to the earliest of their forefathers who crossed the seas and cast in their lot with the makers of this new world. *The American lineage*  
Very many, perhaps a majority, of the English nobility do not record their pedigree for more than two or three centuries. We, on the other hand, have a great population in this country of men and women who can clearly trace their descent from ancestors who had a part in creating our Eastern colonies two hundred and fifty years ago.

Some of these people, of this lineage so credit- *The expansion of families*  
able, and for which they are so justly grateful, still remain, as here in North Carolina, in the old seaboard states. But the vast majority of them are scattered all the way from the Atlantic to the Pacific Ocean, and from the Great Lakes to the Gulf of Mexico. This again is in itself a fact familiar to you, yet have you fully realized its significance? What other country can you find that has been made in the same way, by the spread of families across a vast unoccupied

CHAP. III. territory, in such a manner that they have never lost their sense of kinship, and have carried with them all their ideas and all that is essential in the institutions that grow out of their associated life.

*Founders  
of common-  
wealths* Where to-day are the sons of North Carolina? While the movements of migration have been mainly along parallel lines westward, there has also been a fanlike radiation; and the sons of North Carolina, as of Virginia, have helped to make Kentucky, Tennessee, Alabama, Mississippi, Missouri, Arkansas, and Texas notably, while they have helped also in lesser degree to make many other states. And few of them or their descendants have ever forgotten the family beginnings in the old home state.

*Personal  
illustra-  
tions* Thus, one of my own great-grandfathers, as a young man after the Revolutionary War, sold his land in North Carolina and crossed the mountains to Kentucky. Subsequently he made one more advance and passed over the Ohio River to become one of the pioneers in the settlement of the Buckeye state. To illustrate in this personal way the movement of population in that period, another great-grandfather from the line between Maryland and Pennsylvania passed down the Ohio River and also settled in Kentucky, subse-

quently going in like manner to Ohio. At just that time the men of eastern Massachusetts were moving northward to develop northern New England, westward to northern and western New York, subsequently to northern Ohio, and so on across the northwestern states, where New England influence became so predominant. Of these sturdy people from New England who did so much for the making of the country north of the 40th parallel of latitude, the same thing can be said as of the men of Pennsylvania, Maryland, Virginia, and the Carolinas who developed the country south of the 40th parallel. They spread across the country, recognizing themselves as belonging to one great American family.

CHAP. III.

*North and  
south of  
the 40th  
parallel*

Thus there are some of us whose own kith and kin have so scattered and advanced in the pioneering process that relatives in some degree are known and recognized in perhaps twenty states of the Union, from the Eastern seaboard all the way to California. And this has had to do, more than almost any other one thing, with the solidarity of the American people. We know how brightly burned the early lights of aspiration and intelligence and character in Virginia and the Carolinas, as well as in the Middle States; and we know

*Kinship  
and  
nationality*

## CHAP. III.

that Tocqueville spoke justly when he referred to the far shining of the beacon of New England's enlightenment.

*Trans-  
plantation  
of leaders*

Yet the country became great not by the mere radiation of influence from the older centers, but by the actual transplantation of the men and women who embodied the best of our early ideals, and who gave added strength and vigor to what was characteristic of America in the healthful though often dangerous and painful experiences of the subduing of the wilderness and the making of new communities.

*A com-  
parison  
with  
European  
nations*

Mark the difference in this regard between our American population and that of any other country. England is not large in area, and its people are generally regarded as homogeneous in their insularity. But as a matter of fact the populations of the different parts of England are scarcely at all acquainted in any other part. Thus the Yorkshire man would only by the rarest chance have a relative living in Kent or Cornwall. The intimacy between North Carolina and Missouri, for example, is incomparably greater than that between one part of England and another part. In like manner the people of the north of France know very little of those of the south of

France, or even of those living in districts not at all remote. Exactly the same thing is true of Italy and Germany, and it is characteristic of almost every other European land. As compared with other countries, we in America are literally a band of brothers, spread to the number of millions upon millions across a vast continent, and our characteristics have been formed very largely in contact with the problems we have had to solve in this transcontinental march of subjugation.

CHAP. III.

*Americans  
literally a  
brotherhood*

All honor to the strong men and brave women who floated down the rivers on flatboats and crossed the mountain passes with ox teams and Conestoga wagons. While they were not all equally fortunate, most of them had the wisdom and good judgment to build their cabins and make their abiding places where the soil was rich, the rainfall equable, the climate wholesome, and the geographical situation certain to give permanence and continuity to the work of their hands. When they cleared the valley lands, they knew that the conditions were such as to give long and abiding prosperity to their new neighborhoods and to justify their descendants in remaining and in keeping alive the memories and traditions of the

*The  
makers  
of the Mis-  
sissippi  
Valley*

CHAP. III. pioneers of the early part of the nineteenth century.

*Their  
traits and  
ideals*

They were large-minded people, who from the very first were determined to possess good churches, good schools, and a home life made the more dignified and refined by good houses and substantial improvements. They were people of high ideals and unbounded self-respect. Surely Nature was lavish in her gifts to that beautiful, productive region that lies west of the Alleghanies and south of the Great Lakes.

There are, indeed, other fair and rich countries, some of them fairer and richer than this, that lie desolate to-day because they have lacked the right kind of men. They have needed but have not found men with brawn and brain and heart to wrest wealth from the soil, to utilize the forces and bounties of Nature, and to plant those seeds of social life and of religious and political institutions that count for more, after all, than fields of waving corn and golden grain.

*Life in the  
log cabin  
period*

So much for the two generations of frontiersmen who were creating commonwealths between the Alleghanies and the Mississippi River in the first half of the nineteenth century. They had, indeed, their peculiarities and their crudities. Read, if

you please, with due amusement, Mrs. Trollope's "Domestic Manners of the Americans," Dickens's "American Notes" and his "Martin Chuzzlewit," Baldwin's "Flush Times in Alabama"; but these pictures of pioneer times in the West and South tell only a little part of the story. It was surpassingly wonderful, if the full truth were known, how the best ideals of life were cherished, maintained, and transmitted in thousands of log cabins west of the Alleghanies.

Then came the decade before the Civil War, of gathering political clouds, of financial disaster, and of moral and social reaction. And then the great convulsion and struggle, born of a period when the harsh voices of passion and wrath were too loud for the gentler counsels of brotherhood and forbearance. I have no further word about that period, excepting such as relates to the influence it had upon the later pioneering development of the country.

The war destroyed vast resources and sacrificed hundreds of thousands of brave men, but it also awakened such masterfulness, such power of achievement, in its survivors — and these were the great majority of those who participated — as the world has never seen and may never again

CHAP. III.

*The  
coming  
of the war**Masterful-  
ness  
awakened  
by the  
conflict*

## CHAP. III.

experience. Remember that the war was fought on both sides for the most part by very young men. The colleges in the South were closed because the students all went to the war. I am a graduate of a Northern college that also closed because every student in it went to the front.

*Develop-  
ment of per-  
sonal force*

When the war was ended there were on both sides major-generals who five years before had scarcely entered upon the careers of men. There were in fact hundreds of men on both sides who had commanded brigades or full regiments, yet who were at the end of the five years' struggle still mere striplings in their twenties. But they had seen such stern and terrible reality — they had faced danger, carried responsibility, and exercised power under such circumstances — that they could not by any chance relapse to the mental stature of ordinary, inexperienced men. They must perforce do great things. Just as the Revolutionary War and the War of 1812 had built up a generation of masterful men, who settled the eastern half of the Mississippi Valley, so the events of the Civil War awakened in the sons and grandsons of those men, and of their kinsfolk of the eastern seaboard as well, a power which was bound to find expression in some great

*Our men  
of power  
after the  
war*

history-making processes. If we had been essentially a military nation, these men might have sought conquest to the northward in view of our claims against England, and to the southward under pretext of the expulsion of French and Austrian invaders and usurpers. But the armies were disbanded, and the million or two of young men who had been tried in the fiery furnace of war set about making careers for themselves in a land where swords were beaten into plowshares.

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Then followed for two or three decades the great movement west of the Mississippi. The men who had fought in the war turned their engineering and organizing and directive talent to the building of a vast network of railways, to the opening of mines, and to the exploitation of forests. They became the leaders in our political life, the captains of our industry, and the Napoleons of our finance. They brought hundreds and thousands of millions of dollars of capital from Europe to aid in the development of the virgin West. Where the prairie grass was growing and the buffalo herds were flourishing, they planted the wheat and the corn and the cotton. They found a vast export market for American grain and fiber and meat, and they built high, and kept

*How they  
opened the  
farther  
West*

## CHAP. III.

*Their  
industry  
and their  
politics*

high, the protective-tariff wall in order that they might create diversified manufactures and commercial centers in our own country to consume the food products and raw materials of the agricultural West and South. They were not always refined in their methods; their materialism was crude and insatiate; but they did wonderful things and they left us many a perplexing legacy as a result of their eagerness and — sometimes — their lack of scruples. They invented a new way to develop the Western country, pushing their railroads far beyond the frontier line, then bringing the population to settle upon the imperial grants of land they had obtained from the government.

*They built  
the rail-  
roads*

*They im-  
ported  
foreign  
labor*

While our American boys were pushing west to occupy the rich, virgin soil and grow up with the country, millions of immigrants were persuaded to come from Europe, settle on the land, help build the railroads, work in the mines, and provide labor for the factory towns. To hasten the development of the Pacific coast, Chinese laborers were brought in by the scores of thousands. And so the great movement went on until we discovered, not so long ago, that the so-called Western frontier of Indians and cowboys, and the

thin edge of pioneer advance, had disappeared.

CHAP. III.

Whether by honest settlement or whether by trickery and fraud, all of Uncle Sam's good farm lands had been made over to private owners.

*They  
abolished  
the fron-  
tier*

By the force of economic conditions, farm lands west of the Mississippi River had become more valuable than those of Ohio or western New York, or of Pennsylvania or Maryland. The new West had been built up by money borrowed from Europe and the Eastern states. We suddenly awakened to the fact that this new West had become rich and had paid off Europe and the Eastern states, and was able not only to capitalize its own further development for itself in the main, but was from time to time sending money, by way of Chicago and St. Louis, to New York to support the general money market and the operations of so-called high finance.

*The new  
West  
achieved  
financial  
independ-  
ence*

When the West was poor and struggling and absolutely dependent upon the railroads, there were long and stubborn political agitations of an agrarian character, directed against the tyranny of the corporations of transport and supply. And there were also formidable political movements having to do with money and the standards of value growing out of the fact that the West was

*Agrarian  
struggles*

## CHAP. III.

*How they  
were  
mitigated*

prevalently a debtor region and would not tolerate an appreciating standard of value. But when the West had paid off its mortgages and had accumulated its own capital, these phases of social and political agitation belonging to the pioneer period had a tendency to disappear.

*Personal  
character  
as result-  
ing from  
pioneering  
conditions*

All the conditions of American pioneering were such as to create a wonderful spirit of individuality, independence, and self-direction in the average man. Never in the world has there been anything to equal this development of personality, and this capacity for private and individual initiative. And I must dwell upon this point because it is at the very root of the problems that we have to deal with, — now that we have completed the pioneering stage and entered upon the next stage, — that of a buoyant, progressive maturity.

*The typical  
American  
boy*

Several conditions were in conjunction to give to Americans during the past forty years immense capacity for self-direction and individual achievement. First, there was the traditional spirit born of early conditions and the Revolutionary contest; second, there was the freedom begotten of contact with Nature on a great scale in the subduing of a continent. The average American boy had grown up with a gun in his hand, and

he knew the woods and the native animals. He had learned to swim his horse across swollen rivers, and to face all sorts of practical emergencies. Furthermore, he had developed under conditions of entire political and family freedom, and still further, he had grown up in a land naturally bountiful, where there was ample incentive to effort, and where there did not exist any laws or conditions which might dishearten the individual man because tending to deprive him of the fruits of his labor.

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*Freedom of  
opportunity*

Furthermore, although later we carried on our industry and commerce under conditions of a tariff that somewhat discouraged traffic with the older countries of Europe, it is to be remembered that we maintained absolute free trade among ourselves. Thus, although protectionists as against the rest of the world, we were free traders over a larger contiguous area of developing country, and were in actual practice living under freer conditions for the large development of business, than any other people in the world.

*Continental  
free trade*

Thus it was that the later pioneer period after the war, which built the transcontinental railroads, created the agricultural West, developed the iron and steel production and the textile industries,

*How the  
great  
fortunes  
arose*

## CHAP. III.

afforded such opportunities for the acquisition of wealth as had never before been known. Great fortunes began to emerge, because opportunities were continental rather than parochial. The private career in that materialistic age offered inducements so far beyond any that a public career could hold out to ambitious men, that private initiative and private interest became dominant. Governmental and public activity and interest became relatively weak and neglected.

*Some  
problems  
left un-  
solved*

And so the pioneer period having ended, we are left with some profound social and economic problems which may in their solving perplex us, but which need cause us no deep-seated anxiety, certainly no pessimistic foreboding. Let us look at some of the conditions we find existing in the country, and some of the tendencies of the new period.

*No longer  
a west-  
ward  
migration*

First, with respect to conditions of population: The old hives east of the Alleghanies no longer send their sturdy sons westward to identify themselves with new communities. The tendency has become almost too slight to be discernible. Neither are the sons of the region between the Alleghanies and the Mississippi moving in any strong stream to make home and fortune in the newer regions

of the West. "Westward Ho!" is no longer the cry. There is, indeed, a more discernible movement northward and southward. From a general region of which Iowa may be taken as the center, there is a movement of young men to the new wheat lands of the far Canadian Northwest, and there is a decided movement of older men to the more genial climatic conditions of Louisiana and the Southwest.

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*North-ward and southward*

As for young men who seek business or professional careers in cities, New York now calls more strongly to the ambitious young men of the West and South than Chicago or the other Western centers call to the ambitious young men of the East. In short, the westward pioneering and developing trend of our American population is at an end. Some reaction has set in, and Eastern land that had been neglected and had become relatively cheap has a tendency to fall into the hands of Western men. The most marked change in the status of population, however, is that which has built up the cities and industrial centers at the expense of the villages and the country communities.

*New York as a Mecca**Revival of Eastern farming*

And next to this, the most marked change is the decline of the old native population in New

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*Population  
changes in  
the East*

England and in other parts of the East. If it were not, indeed, for the influx of a vast European population to supply the demand for labor caused by the falling off of the native population, it would be seen that New England, and some other parts of the country as well, are not merely at a standstill like France in point of population, but are declining to a point threatening extinction.

*New Eng-  
land's  
abandoned  
farms*

Wealth and industry, indeed, served by foreign-born labor, seem in no danger of declining in New England. But the decadence of once beautiful and famous villages, and the relapse to wilderness conditions of what was once a well-tilled country, are indeed pathetic. Not long ago I was wandering over the rock-ribbed pastures of a New England state. At best, the thin covering of soil seemed only a few inches deep. In lieu of fences, the tiny fields were separated by massive granite stone walls, blasted and hewn out of the solid rock, or else heaped up with giant boulders by those Yankees of prodigious industry a hundred years or more ago. They raised poor crops, those hardy farmers, but they planted churches and schools, and they produced men and women. These are the real tests of the greatness of a community or a state.

*They once  
produced  
great men  
and  
women*

If in the same spirit of devotion and courage those New England pioneers had perchance made their farms on richer soil, they would have been none the worse for it, and the results in a local sense would have been more enduring. They built up men and women for the glory of the nation and the peopling of prairie states yet unborn. But in thousands of instances their farms, so painfully redeemed from forest and from rock, have now relapsed to a state of wilderness where some gnarled old apple tree, in the very thick of a dense growth of scrub oak, birch, spruce and pine, reminds us that here were once cleared fields and orchards, thrifty homesteads, men who plowed and women who spun, all for the glory of God and the greatness of the American name.

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*A picture  
of present  
conditions*

Only a hundred years ago — or even seventy-five years or fifty years ago — these were tidy, decent farms. To-day they are lost in mile after mile of tangled young forest, where the fox dwells, where the wild deer has come back, and where even the wolves and panthers have reappeared. Of course, within a few miles there are thriving manufacturing towns, and there is progress along other lines. But these manufacturing towns are made up of a new and strange population of

*The  
wilderness  
again**The new  
factory  
populations*

## CHAP. III.

polyglot origin; and in the lesser of the farming hamlets there remain few, if any, who would care to celebrate the one hundredth or the two hundredth anniversary of the neighborhood, or who possess either the knowledge, the reverence, or the personal interest to save the tombs of the stalwart forefathers from neglect.

*The  
problems  
of the  
village*

With the growth of the factory towns, the decline of the villages of New England and other parts of the North and East is a most painful thing to consider. The life of a village when it is stagnant and listless, and without the touch of idealism, is about the pettiest and worst of all possible kinds of life. The city, even with its darker aspects of misery and vice, stimulates the mind by its rush and roar, its external activities, and its ever-changing sensations and novelties. But the dull, dead rustic hamlet, where nobody cares for anything or believes in anything beyond the gratification of a few sordid, material wants, is in danger of sinking to a lower moral level than the slums of the great towns. And quite in contrast with conditions of a half century ago we now find thousands of such depraved neighborhoods where fair skies shine on the scenes of natural loveliness, without seeming in the very

*Decay  
of the  
rural  
hamlet*

least to lift up the minds and souls of men to noble thoughts and aspirations. CHAP. III

Assuredly we seem to be moving in a vicious circle. For, first, the present conditions of city life are not to be sought as a remedy and a refuge from decay and demoralization in the country districts; and, second, on the other hand, there is no such moral or social health in the villages and farm neighborhoods as would seem to invite a retreat from the urban centers of population. *Is it a "vicious circle"?*

Nor would it seem very encouraging to admit the fact that our own American stock is increasing scarcely any if at all, while our enhanced economic power as a nation is derived from the working energy brought to us by Italians and Poles, Russians and Hungarians, and strange peoples from many lands, with little or no kinship to us whether of race or ideals. And in addition to these conditions there are the further problems of population in large parts of the country, due to the presence of the negro race. It is not only in the Eastern states that the decline of rural population has been marked and absolute, but the tendency exists even beyond the Mississippi River, where, for example, in Iowa there has been for many years a positive falling off in the population of the *The discouraging phases* *Town and country drifts*

CHAP. III. strictly country neighborhoods, with a marked increase in the railroad towns and the larger centers of population.

*The  
problems  
of city and  
country  
life*

Here, then, are two sets of problems, pressing upon us at the same moment. The first of these are very urgent: having to do with the way in which we must order the life of cities and towns so that we may minimize the evils of population centers, while at the same time we derive a maximum of benefit from the opportunities for social welfare that are afforded where many people live and work in the same immediate vicinity. On the other hand, we have the pressing problem of the rehabilitation of country life, so that the farm may be less distasteful and so that the village community may be sweeter and happier in its life and less disadvantaged in its opportunities as compared with the city.

*Identical  
rather than  
opposed*

Fortunately, these two sets of problems do not antagonize one another, and it is better to view them as parts of a larger whole than as unrelated. It is not, then, the question of country life as against city life; but in both country and city it is a question of the larger use of modern opportunity, and the determined effort to do away with bad conditions. In a thousand ways the life

of the great towns is actually becoming ameliorated; and there are now standards and methods of scientific and social progress that are bringing about most salutary changes. Our cities were once the centers of epidemic disease, and the death rate averaged higher than the birth rate. This is no longer the case, for health administration has practically stamped out epidemics, and the harmful physical tendencies of thirty or forty years ago are rapidly disappearing.

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*Sanitary  
progress*

The modern transit facilities of our towns and cities are distributing the population over suburban areas, and thus the city has a tendency to become countrified; while parks and libraries, improved schools, and facilities for recreation, make the life of the workingman's family a very much more comfortable thing to-day in a commercial center or factory town than it was a half century ago or even twenty years ago. While the tendency has set in this direction, the opportunities for an improved life in the towns have only begun to be realized; and every educated young man entering upon his life career at this time, it seems to me, is bound to acquaint himself with these matters and, in so far as it falls to his lot, to help bring about the complete regeneration of

*Improved  
town  
facilities**Further  
possi-  
bilities*

CHAP. III. the conditions of American life in the centers of industry and trade.

*Remedies  
now at  
hand*

I do not believe that any of this work is to be accomplished by angry or revolutionary methods, and I am of the opinion that the calm, moderate application of remedies now understood by men of knowledge and skill in engineering or sanitary or administrative science can bring about the desired consummations.

*Improving  
country  
schools*

When it comes to the problems of country life, we find a hopeful process of urbanization going on in the rural districts. Perhaps the greatest demand is for good, modern, up-to-date, centralized country schools, with well-trained teachers who have a knack for making school work relate itself to the lives of country children. But in order to support such schools the state school fund will not suffice, and there must be ample local taxation. Yet if local taxation is to provide the proper facilities of schools, good roads, and other neighborhood conveniences, there must be something to tax. Farm land must become more valuable. It must produce better and more diversified crops. Water power must be utilized, and manufacturing must be brought into the neighborhood, where natural conditions make it possible.

*Necessary  
to increase  
the taxable  
total*

And here let me say that the greatest triumph of the pioneering period in America has been the creation of a great body of capitalized wealth. This process must go steadily forward. It is true the poet warns us against those hastening ills which are sure to prey upon a country "where wealth accumulates and men decay." But in modern times men have been far more likely to decay under conditions of poverty than under conditions of wealth. The great economic achievement of the past generation has been the relative abolition of poverty. I take frank and straightforward issue with those who hold that the accumulation of great fortunes in this country has been simultaneous with the impoverishment of the masses.

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*Capital  
and the  
qualities  
of men**Lessening  
of  
poverty*

Those great fortunes are merely in the form of tremendous agencies for the production and distribution at low cost of articles of common use and necessity. The larger these accumulations of capital engaged in production, the greater the output and the wider the diffusion of benefits throughout the whole mass of the people. I do not like to see the control of these agencies of production vested so largely in the hands of a few individuals. I deplore those lax and unregulated

*Production  
and  
control*

## CHAP. III.

*Results  
of lax  
conditions*

conditions of private initiative, during the later pioneering epoch in this country, that placed in the hands of a relatively few men the control of the railroad systems, the coal, the oil, the copper, the iron and steel, and many other important products, processes, and industries, which engage the toil of the people and which produce the necessities and conveniences that are now making most of our people comfortable in their daily lives.

But although we might have avoided, if we had been wiser, so high a concentration of private control over the instruments of production, we have done a very great and beneficent thing in this country in creating so vast an amount of wealth in capitalized form. And it is this which is lifting our people as a whole from the degradation of poverty.

*Need of  
further  
growth of  
capital*

What we have then to do, while seeking for justice and fair play in the distribution of wealth, is to strive with might and main for the further production of wealth in order by the same process to emancipate such other communities as yet remain in the hard clutches of poverty. There are many such communities in the mountain districts of North Carolina and neighboring states. Let the water power be utilized to turn the wheels of

factories, and let the capitalist be encouraged to come and give employment to labor. In turn, let the factories be taxed for the support of schools. CHAP. III.

Encourage in every possible way the scientific knowledge of agriculture. There are states in the prairie regions of the Middle West where so intense is the interest in scientific agriculture, and so prosperous is the farming community, that the sons of physicians and lawyers and merchants in the towns are now attending the state agricultural colleges and crowding the classes in practical agriculture, with a view to becoming farmers of the new sort with a knowledge of soils and fertilizers and varied crop conditions. In one Western state, within three or four years, the work of the agricultural college in showing the farmers how to select their seed corn has added perhaps from five to ten dollars an acre to the actual value of all the land of the entire commonwealth. *Outlook  
for  
farming*

We are just at the beginning of agricultural development in this country. Having worked over and exhausted our soil from one ocean to the other, we are going back and learning the business of farming all over again, under permanent conditions. Across vast expanses of America the log-cabin period still continues. A better kind *The new  
methods*

*Pioneer  
farming  
and its  
results*

CHAP. III. of country life and a new knowledge of the possibilities of agriculture must be made to change all this. There must now come a mature period of positive rural prosperity, following the lax and shiftless days since the first freshness of the soil was exhausted by the pioneers who made the clearings.

*Lessons  
from  
abroad*

We must be willing to take lessons in agriculture from the thrifty farmers of France, from the rich tillers of small holdings in Holland and Belgium, from those sturdy men who maintain high intelligence and decent standards of life in the valleys and on the mountain slopes of Switzerland. We must find out how Denmark has rehabilitated its agricultural life, and the remarkable new things the farmers are learning to do in Ireland.

*The  
mountain  
people  
of the  
South*

There is no reason why several million dwellers in the Appalachian highlands of America should always remain poverty-stricken, anæmic, ignorant, and of primitive manners and ways of living. They come of a strong and virile stock, they belong all of them to the early pioneering epoch, they are Americans with the traditions of the past. Why should they not be great and dominant Americans of the future? With education, their

sons and daughters show their good qualities with an amazing responsiveness. Economic development is what the Appalachian districts need, and all these modern processes must find their way into the hills, capital must be encouraged, the factory and the improved school must stand together as missionaries of social redemption. And so this vast hill country must become alive with a new hope and a new prosperity.

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*They need  
economic  
oppor-  
tunity*

We live in an economic age, and we must not be afraid of it. The business career nowadays is the dominating one. The lawyer either becomes a business man, or becomes the adjunct of some business or corporate organization. The engineer, the architect, the men of various other professions are simply the technical and special servants of a world intent upon business achievement. We could not make this situation otherwise, and we ought to strive to understand it and to bring it under proper control.

*"Busi-  
ness"  
dominates*

For the South and West, I firmly believe that the development of wealth is to be regarded as an urgent, fundamental condition for the meeting of many other problems of importance. I do not for a moment fail to see the pressing need of working for rules of law and of conduct that

*Funda-  
mental for  
the South*

## CHAP. III.

will bring about a more equitable distribution of wealth. But remember that you have not yet brought one tenth of the possible results out of your soil, your mines, your forests, your water power, your latent human resources of inventiveness and industry.

*Produce  
first:  
then  
divide*

Do not then be too anxious about the distribution of wealth; or at least remember that we are still in a condition where, for many of our states and communities, the development, rather than the distribution of wealth, is still the foremost problem. I have never been an apologist for mere plutocracy, and I hope I may never shut my eyes to any injustice in the methods by which an individual or a group of individuals may at times make unfair use of capitalistic or industrial power. But remember that no railroad can grow rich unless it serves a rich and prosperous country. And no industrial trust can create its multimillionaires, excepting under conditions which also promote the diffusion of an incalculably greater quantity of wealth among millions of people.

*Democracy  
requires  
intelli-  
gence*

Ours remains a democracy, and there are no class distinctions of rigidity as yet developed in the United States. We must not lose faith in

our democracy, and we must remember that it must continue to find its support in the wide diffusion of character and intelligence. Having made our states in a pioneer fashion, we must now proceed to make them all over again on a new and a better plan, using the instrumentalities which the pioneer period has placed in our hands. We must cultivate the spirit of tolerance and moderation. We have no need to deal ruthlessly or by revolutionary methods with any of our great public questions. We must be honest, diligent, faithful, and open-minded. We must not be afraid of the fair discussion of any question whatsoever.

CHAP. III.

*Tolerance  
and fair  
discussion*

We cannot see clearly into the distant future, but we can see many things that it is right to do in the present, and we can at least stand up and be counted on the right side. We can fall in with the marvelous new tendency for the improvement of farming and of the conditions of country life in every part of America, and we can at the same time give our sympathy, and so far as possible our aid, to every good movement that brightens the life of workers in factories and dwellers in towns and cities.

*Things  
that can  
safely be  
done*

We shall have to make over again in a new

## CHAP. III.

*Culture  
and labor*

way most of our educational methods, because we are educating the children for conditions of life so different from those that existed half a century ago. We must believe that culture and labor may go hand in hand. We must welcome the idealist, and understand that no progress could be made but for men and women who see visions of better things and strive to give their visions practical reality. We must not be afraid that harm will come from the lifting up of any man or woman or child, however humble.

*Foreigners  
and their  
children*

We have a great problem in our Northern cities, caused by the influx of more than a million foreigners every year. To read a book like Upton Sinclair's novel, "The Jungle," makes one shudder with dread and a sense of horror. But when one sees thousands upon thousands of the children of these strange peoples in the public schools of New York and Chicago, knows their eager minds, their quick grasp of American history and their enthusiasm for American ideals, one learns that it is not by blood descent alone that we transmit those things that make up our stock of ideas and traditions, but that there is such a thing as training the children of Italians and Poles and Lithuanians to a worthy American citizenship. In any case we

*How to  
preserve  
American  
ideals*

have these people with us, and we must make the best of the problem. The right kind of education is that which fits boys and girls to live well the life which is their appropriate lot under existing conditions.

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If you have any doubt about the value of education to any human being of any race whatsoever, stop with your definition of the word. Most of the boys and girls of our recent immigrants must be plain, sturdy workers. Their education in the schools ought to keep this fact in mind every day, and ought not to alienate them from the hard tasks of ordinary life. Education to-day is the greatest problem that confronts our American statesmanship, whether North or South. The pioneering process was a sort of education in itself. The colleges, it is true, did their work fairly well, but a little experience in the district schools, plus a large experience in the school of life, produced most of our efficient men and women. In the new period we must consciously make our school systems minister to the solution of our social and industrial problems.

*What is  
true  
education?**The pioneer  
training*

As citizens, we must now, more than ever, face our public responsibilities. As I have said, the pioneering century was that of an overweening

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*Socialism  
versus  
the just  
balance*

private initiative. Shall the pendulum now swing to the opposite extreme, shall we become full-fledged socialists, shall government not only regulate and control, but shall it lay hold upon the instruments of production, and shall we all in our respective callings don the uniform of public service? I do not see why we need to face just now any radical solution. We must simply find a just and true balance between the authority of the government and the power of the law on the one hand, and the freedom and scope of private enterprise on the other.

*Certain  
principles:  
— (1) The  
common  
carrier*

Admitting certain principles, we must not be afraid of their application under new conditions. The function of the common carrier is a public one, and it is a sound principle that carriers should treat all citizens fairly and impartially. The founders of the Republic gave to the government the power to regulate interstate commerce. In so far as private initiative and great business interests have diverted the railroad system of the country from its true function, the government must find and enforce a remedy.

Another principle is well established, and that is the right of government, whether local or general, to protect the health of the individual or the family

against dangerous conditions over which the individual has no power to act for self-protection.

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It is right that your local authorities should protect you in your home against the spread of infectious disease through the carelessness of your neighbors. And it is also right, if on the national and international scale the food supply is deleterious to health, that there should be some form of public intervention and protection. With the complexity of our more mature social conditions, these new problems present themselves one after another. They must be faced as they come up and must be solved honestly and intelligently.

(2) *Public  
care for  
health*

Government will inevitably become more costly, because there will be more things in the future than in the past to be done collectively for the common benefit. And so, while trying to solve the problem how to secure a more equal distribution of private wealth among citizens, we must also learn better ways to supply local and state and national governments with the revenues that they need for the carrying on of their increasing functions.

*Increased  
cost of  
govern-  
ment*

All these are not things for you to worry about, young men, but they are things for you to take

## CHAP. III.

*A time for  
energy,  
not for  
anxiety*

✓

an intense interest in. Do not shrink in fear from the problems before us. Do not lose faith in our people, or our country, or our institutions. But be glad that you may all bear some part in helping to do the work of your generation; so that, as the pioneers before us saw the wilderness subdued and peopled, and gloried in the country's swift material progress, you may live to see an intensive progress where the pioneer saw an extensive one, and may feel that you have helped in your day and generation to reestablish on firm foundations those things that have always belonged to the best ideals of American life.

**THE BUSINESS CAREER  
AND THE COMMUNITY**



## CHAPTER IV

### THE BUSINESS CAREER AND THE COMMUNITY

We have heard much in these recent times concerning the state in its relation to trade, industry, and the economic concerns of individuals and groups. Rapidly changing conditions, however, make it fitting that more should be said from the opposite standpoint; that is to say, regarding the responsibilities of the business community as such toward the state in particular and toward the whole social organism in general.

*The  
business  
community  
and the  
public*

Some of the thoughts to which I should like to give expression might perhaps too readily fall into abstract or philosophical terms. They might, on the other hand, not less easily clothe themselves in cant phrases and assume the hortatory tone. I shall try to avoid dialectic or theory on the one hand, and preaching on the other. I take it that what I am to say is addressed chiefly to young men, and that it ought to serve a practical object.

*The  
practical  
standpoint*

## CHAP. IV.

*Motive  
in the  
business  
world*

In the universities the spirit of idealism dominates. The academic point of view is not merely an intellectual one, but it is also ethical and altruistic. In the business world, on the other hand, we are told that no success is possible except that which is based upon the motive of money getting by any means, however ruthless. We are told that the standards of business life are in conflict irreconcilable with true idealistic aims. It is this situation that I wish to analyze and discuss; for it concerns the student in a very direct way.

*"Commercialism"  
and its  
critics*

Our moralists point out the dangerous prevalence of those low standards of personal life and conduct summed up in the term "commercialism." We are warned by some of our foremost teachers and ethical leaders against commercialism in politics and commercialism in society. So bitterly reprobated indeed is the influence of commercialism that it might be inferred that commerce itself is at best a necessary evil and a thing to be apologized for. But if we are to accept this point of view without careful discrimination, we may well be alarmed; for we live in a world given over as never before to the whirl of industry and the rush and excitement of the market-place.

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This, of all ages, is the age of the business man. The heroic times when warfare was the chief concern of nations, have long since passed by. So, too, the ages of faith — when theology was the mainspring of action, when whole peoples went on long crusades, and when building cathedrals and burning heretics were typical of men's efforts and convictions — have fallen far into the historic background. Further, we would seem in the main to have left behind us that period of which the French Revolution is the most conspicuous landmark, when the gaining of political liberty for the individual seemed the one supreme good, and the object for which nations and communities were ready to sacrifice all else.

*The  
business  
man's age*

*The  
historic  
background*

Through these and other periods characterized by their own especial aims and ideals we have come to an age when commercialism is the all-absorbing thing; and we are told by pessimists that these dominant conditions are hopelessly incompatible with academic idealism or with the maintenance of high ethical standards, whether for the guidance of the individual himself or for the acceptance and control of the community. It is precisely this state of affairs, then, that I desire briefly to consider. And I shall keep in

*Idealism  
and trade  
conditions*

CHAP. IV. mind those bearings of it that might seem to have some relation to the views and aims of students who are soon to go out from the sheltered life of the university, — under the necessity, whether they shrink from it or not, of becoming part and parcel of this organism of business and trade that has invaded almost every sphere of modern activity.

*The drift  
of the  
times*

I have only recently heard a great and eloquent teacher of morals, himself an exponent of the highest and finest culture to which we have attained, speak in terms of the utmost doubt and anxiety regarding the drift of the times. To his mind, the evils and dangers accompanying the stupendous developments of our day are such as to set what he called commercialism in direct antagonism to all that in his mind represented the higher good, which he termed idealism. The impression that he left upon his audience was that the forces of our present-day business life are inherently opposed to the achievement of the best results in statecraft and in the general life of the community. He could propose no remedy for the evils he deplored except education, and the saving of the old ideals through the remnant of the faithful who had not bowed the knee in

*An anxious  
moralist*

the temple of Mammon. But he pointed out no way by which to protect the tender blossoms of academic idealism, when they meet their inevitable exposure in due time to the blighting and withering blasts of the commercialism that to him seemed so little reconcilable with the good, the true, and the beautiful. CHAP. IV.

To all this the practical man can only reply, *The practical man's reply* that if, indeed, commercialism itself cannot be made to furnish a soil and an atmosphere in which idealism can grow, bud, blossom, and bear glorious fruit, — then idealism is hopelessly a lost cause. If it be not possible to promote things ideally good through these very forces of commercial and industrial life, then the outlook is a gloomy one for the social moralist and the political purist.

It is not a defensive position that I propose to take. I should not think it needful at this time even so much as briefly to reflect any of those timorous and painful arguments *pro* and *con* that one finds at times running through the columns of the press, particularly of the religious weeklies, on such a question as, for example, whether nowadays a man can at the same time be a true Christian and a successful business man; or *Not a question of ordinary honesty*

## CHAP. IV.

whether the observance of the principles of common honesty is at all compatible with a winning effort to make a decent living.

*A higher  
principle  
at stake*

I am well aware that the thoughtful and intellectual founder of this lectureship, under which I have been invited to speak, takes no such narrow view either of morality on the one hand or of the function of business life on the other. His definition of morality in business would demand something very different from the mere avoidance of certain obvious transgressions of the accepted rules of conduct, particularly of that commandment which says, "Thou shalt not steal." Nor, on the other hand, would his definition of the functions of business life be in any manner bounded by the notion that business is a pursuit having for its sole object the getting of the largest possible amount of money.

*The  
negative  
moral code*

Those people who are content to apply negative moral standards to the carrying on of business life remind one of the little boy's familiar definition of salt: "Salt," said he, "is what makes potatoes taste bad when you don't put any on." According to that sort of definition, morality in business would be defined as that quality which makes the grocer good and respectable when he

resists temptation and does not put sand in the sugar. The smug maxim that honesty is the best policy, while doubtless true enough as a verdict of human experience under normal conditions, is not fitted to arouse much enthusiasm as a statement of ultimate ethical aims and ideals.

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If it were admitted that the sole or guiding motive in a business career must needs be the accumulation of money, I should certainly not think it worth while, in the name of trade morals, to urge young men who are to enter business life that they play the game according to safe and well-recognized rules. I would not take the trouble to advise them to study the penal code and to familiarize themselves with the legal definitions of grand and petit larceny, of embezzlement, or fraud, or arson, in order that they might escape certain hazards that beset a too narrow kind of devotion to business success.

*Trade  
morals and  
the penal  
code*

It is true, doubtless, that a business career affords peculiar opportunities, and is therefore subject to its own characteristic temptations, as respects the purely private and personal standards of conduct. The magnitude of our economic movement, the very splendor of the opportunities that the swift development of a vast young country like

*Some  
obvious  
temptations*

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ours affords, must inevitably in some cases upset at once the sober business judgment of men, and in some cases the standard of personal honor and good faith, in the temptation to get rich quickly; so that wrong is done thereby to a man's associates or to those whose interests are in his hands, while still greater wrong is done to his own character.

*Personal  
honor  
and the  
choice of  
callings*

But, even against this dangerous greed for wealth and the unscrupulousness and ruthlessness which it engenders, it is no part of my present object to warn any young man. I take it that the negative standards of private conduct are usually not much affected by a man's choice of a pursuit in life. If any man's honor could be filched from him by a merely pecuniary reward, whether greater or less, I should not think it likely that he would be much safer in the long run if he chose the clerical profession, for example, than if he went into business.

Sooner or later his character would disclose itself. It is not, then, of the private and negative standards of conduct that I wish to speak, — except by way of such allusions as these. And even these allusions are only for the sake of making more distinct the positive and active phases

of business ethics that I should like to present in such a way as to fasten them upon the attention.

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Many young men, to whom these views are addressed, will doubtless choose, or have already chosen, what is commonly known as a professional career. The ministry, law, and medicine are the oldest and best recognized of the so-called liberal or learned professions. Now what are the distinctive marks of professional life? Are the men who practice these professions not also business men? And if so, how are they different from those business men who are considered laymen, or non-professional? Obviously the distinctions that are to be drawn, if any, are in the nature of marked tendencies. We shall not expect to find any hard and fast lines. Many lawyers, some doctors, and a few clergymen are clearly enough business men, in the sense that they attach more importance to the economic bearings of the part they play in the social organism than to the higher ethical or intellectual aspects of their work.

*Recognized  
marks  
of the pro-  
fessional  
career*

*Certain  
tendencies*

I have read and heard many definitions of what really constitutes a professional man. Whatever else, however, may characterize the nature of his calling, it seems to me plain that no man

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*Service  
of the  
community  
the test*

can be thought a true or worthy member of a profession who does not admit, both in theory and in the rules and practices of his life, that he has a public function to serve, and that he must frequently be at some discomfort or disadvantage because of the calls of professional duty. The laborer is worthy of his hire; and the professional man is entitled to obtain, if he can, a competence for himself and his family from the useful and productive service he is rendering to his fellow-men. He may even, through genius or through the great confidence his character and skill inspire, gain considerable wealth in the practice of his profession. But if he is a true professional man, he does not derive his incentive to effort solely or chiefly from the pecuniary gains that his profession brings him. Nor is the amount of his income regarded among the fellow-members of his profession as the true test or measure of his success.

*Pecuniary  
success  
only  
incidental*

Thus the lawyer, in the theory of his profession, bears an important public relation to the dispensing of justice and to the protection of the innocent and the feeble. He is not a private person, but a part of the system for supporting the reign of law and of right in the community.

Historically, in this country, the lawyer has also borne a great part in the making and administering of our institutions of government. If, as some of us think, the ethical code of that profession needs to be somewhat revised in view of present-day conditions, and needs also to be more sternly applied to some of the members of the profession, it is true, none the less, that there clearly belongs to this great calling a series of duties of a public nature, some of them imposed by the laws of the land, and others inherent in the very nature of the occupation itself.

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*The  
lawyer's  
public  
duty*

It is true in an even more marked and undeniable fashion that the profession of medicine, by virtue of its public and social aspects, is distinguished in a marked way from a calling in life in which a man might feel that what he did was strictly his own business, subject to nobody's scrutiny, or inquiry, or interference. The physician's public obligation is in part prescribed by the laws of the state which regulate medical practice, and in very large part by the professional codes which have been evolved by the profession itself for its own guidance. It is not the amount of his fee that the overworked doctor is thinking about when he risks his own health in

*Medicine  
also a  
public  
career*

## CHAP. IV.

*Profes-  
sional un-  
selfishness*

response to night calls, or when he devotes himself to some especially painful or difficult case. Nor is it a mere consideration of his possible earnings that would deter him from seeking comfort and safety by taking his family to Europe at a time when an epidemic had broken out in his own neighborhood.

I need not allude to the unselfish devotion to the good of the community that in so high a degree marks the lives of most of the members of the clerical profession, for this is evident to all observant persons.

*No real  
self-denial  
in the pro-  
fessional  
attitude*

On the other hand, it cannot be too clearly perceived that there is nothing in the disinterestedness, and in the obligation to render public service characterizing professional life that amounts to unnatural self-denial or painful renunciation, — unless in some extreme and individual cases. On the contrary, professional life at its best offers a great advantage in so far as it permits a man to think first of the work he is doing and the social service he is rendering, rather than of pecuniary reward. I have myself on more than one occasion pointed out to young men the greater prospect for happiness in life that comes with the choice of a calling in which the work itself pri-

marily focuses the attention, and in which the pecuniary reward comes as an incident rather than as the conscious and direct result of a given effort.

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The greatest pleasure in work is that which comes from the trained and regulated exercise of the faculty of imagination. In the conduct of every law case this faculty has abundant opportunity, as it also has in the efforts of the physician to aid nature in the restoration of health and vigor in the individual, or in the sanitary protection of the community. I hope I have made clear this point: that pecuniary success, even in large measure, in the work of a professional man, may be entirely compatible with disinterested devotion to a kind of work that makes for the public weal, while it is also worthy of pursuit for its own sake, and brings content and even happiness in the doing. And it is clear enough, in the case of a professional man, that he is false to his profession and to his plain obligations if he shows himself to be ruled by the anti-social spirit; that is to say, if he considers himself absolved from any duties toward the community about him; thinks that the practice of his profession is a private affair for his own profit and

*What gives pleasure in work?*

*The sense of public obligation*

CHAP. IV.      advantage, and holds that he has done his whole duty when he has escaped liability for malpractice or disbarment.

*Increasing  
range of  
profession-  
alized  
pursuits*

But the three oldest and best-recognized professions no longer stand alone, in the estimation of our higher educational authorities and of the intelligent public. In a democracy like ours, with a constantly advancing conception of what is involved in education for citizenship and for participation in every individual function of the social and economic life, the work of the teacher comes to be recognized as professional in the highest sense. Teaching, indeed, seems destined in the near future to become the very foremost of all the professions. This recognition will come when the idea takes full possession of the public mind that the chief task of each generation is to train the next one, and to transmit such stores of knowledge and useful experience as it has received from its predecessors or has evolved for itself.

*The  
teacher  
above all*

It is obvious enough that the work of the teacher gives room for the play of the loftiest ideals, and that its functions are essentially public and disinterested. But there are other callings, such as those of the architect and engineer, which

have also come to be spoken of as professional in their nature. Their kinship to the older professions has been more readily recognized by the men of conservative university traditions, because much of the preparation for these callings can advantageously be of an academic sort. Architecture in its historical aspects is closely associated with the study of classical periods; while the profession of the engineer relates itself to the immemorial university devotion to mathematics. And in like manner the man who for practical purposes becomes a chemist or an electrician would be easily admitted by President Eliot, for example, to the favored fellowship of the professional classes for the reason, first, of the disciplinary and liberalizing nature of the studies that underlie his calling, and in the second place, of the public and social aspects of the functions he fulfills in the pursuit of his vocation.

The architect, the civil or mechanical or electrical engineer, and the chemist, as well as the professional teacher, the trained librarian, or the journalist who carries on his work with due sense of its almost unequaled public duties and responsibilities, — all these are now admitted by dicta of our foremost authorities to a place equal

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*The  
engineer  
and  
architect**Scientific  
specialists**Callings  
having a  
clear  
public  
character*

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with the law, medicine, and the ministry in the list of the professions; that is to say, in the group of callings which, under my definition, are distinguished especially by their public character. And in this group, of course, should be included politicians, legislators, and public administrators in so far as they serve the public interests reputably and in a professional spirit. Nor should we forget such special classes of public servants as the officers of the army and navy; while nobody will deny public character and professional rank to men of letters, artists, musicians, and actors.

*Ethical  
codes  
of these  
callings*

In all these callings it is demanded not merely that men shall be subject to the private rules of conduct, — that they must not cheat, or lie, or steal, or bear false witness, or be bad neighbors or undesirable citizens, — but in addition and in the most important sense that they shall be subject to positive ethical standards that relate to the welfare of the whole community, and that require of them the exercise of a true public spirit.

*Meaning  
of the term  
"public  
spirit"*

The man of public spirit is he who is able at a given moment, under certain conditions, to set the public welfare before his own. Furthermore, he is a man who is trained and habituated

to that point of view, so that he is not aware of any pangs of martyrdom or even of any exercise of self-denial when he is concerning himself about the public good even to his own momentary inconvenience or disadvantage. Public spirit is that state or habit of mind which leads a man to care greatly for the general welfare. It is this ethical quality that to my mind should be the great aim and object of training.

On its best side, what we term the professional spirit is, then, very closely related to this commendable quality in men of a right intellectual and moral development that we call public spirit. The chief difference lies in this: that whereas all professional men may be public-spirited in a general sense, each professional man should, in addition, manifest a special and technical sort of public spirit that pertains to the nature of his calling. The lawyer should have a particularly keen regard for the equitable administration of justice. The doctor should truly care for the physical wholesomeness and well-being of the community. The clergyman should be alive to those things that concern the rectitude and purity of life. The journalist should be willing to make sacrifices for the sake of the

*The added  
duty of a  
profes-  
sional man*

*"Public  
spirit"  
plus  
something  
more*

CHAP. IV. enlightenment of public opinion; and so on. Without either the general or the technical manifestations of public spirit, in short, the so-called professional man is a reproach to his guild and a failure in his neighborhood.

*Business  
also must  
assume  
profes-  
sional  
standards*

Now, what has all this to do with the moral standards that belong to the business career as distinguished from the professional life? My answer must be very clear and very direct if I am to justify so long an analysis of the ethical characteristics of the professions themselves. I have merely used the time-honored method of trying to lead you by way of familiar, admitted points of view to certain points of view that, if not wholly new, are at least less familiar and less widely recognized. The whole thesis that I wish to develop is simply this: that however it may have been in business life in times past and gone, there has been such a tremendous change in the organization and methods of the business world and also in the relative importance of the functions of the business man in the community, that the distinctions which have hitherto set apart the professional classes have become obsolete for all practical purposes in many branches and departments of the business world.

At least, the work of the responsible leaders is no longer to be regarded as essentially a thing of private concern and free from public responsibility. If the business world is not characterized, first, by public spirit and a sense of public duty in general, and second, by the special and technical sense of public obligation that pertains to particular kinds or departments of business activity, then it is falling short of its best opportunities and evading its providential tasks. It is for the modern business world to recognize the conditions that have in the fulness of time given it so great a power and so dominant a position; and it must not shirk the responsibilities that belong to it as fully and truly as they belong to any of the professions.

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*The obligations of business leadership*

I hold, then, that the young man of education and opportunity who proposes to go into a business career enters it not merely with a low and unworthy standard if his sole motive and object be to acquire wealth, but he also enters it in disregard of the ideas that fill the minds of the best modern business leaders. He shows a pitiable lack of appreciation of the elements that are to constitute real business success in the period within which his own career must fall.

*The right motive for true success*

## CHAP. IV.

*Evolution  
of modern  
business*

Let us consider, briefly, the evolution of our present-day economic or business life, and then take note of the necessary place that particular classes of business men must hold in the structure of our society. I, for my part, look upon this last century of economic progress, — under the sway of what is often called “capitalism” as a term of reproach, — as an immeasurable boon to mankind. It began with the practical utilization of several great inventions, notably that of steam power, which broke up the old household and village industries, gave us the modern factory system, and along with the development of railroads gave us the modern industrial city. This new and revolutionizing system of industry and business forced its way into a world of poverty, of disease, of depraved public life, of low morals in the main pervading the community, — a world for the most part of class distinctions in which the lot even of the privileged few was not a very noble or enviable one, while the state of the vast majority was little better than that of serfs.

*How old  
conditions  
have been  
bettered*

*The days  
when  
poverty  
prevailed*

Many writers have sought to throw a charm and a glamour over that old condition of economic life and society that followed the break-up of feudalism and that preceded the creation of

our new political and industrial institutions. But with some mitigations it was for most people a period, as I have said, of squalor, disease, and degradation. The fundamental trouble could be summed up in the one word, *poverty*. The mission of the new industrial system, for the most part unconscious and unrecognized, was to transform the world by abolishing the reign of poverty. Doubtless it would be desirable if the improvement of conditions, material and spiritual, could make progress with exactly even pace on some perfectly symmetrical plan. But history shows us that the forward social movement has proceeded first in one aspect, then in another, on lines so tangential, often so zigzag, that it is difficult until one gets distance enough for perspective, to see that any true progress has been made at all.

*Mission of  
the new  
system*

Thus, the modern industrial system, which found the conditions of poverty, disease, and hardship prevalent, seemed for quite a long time, in its rude breaking up of old relations and its ruthless adherence to certain newly proclaimed principles, to have brought matters from bad to worse. The squalor and poverty of the village of hand-loom weavers seemed only intensified in the new industrial towns to which the weavers

*The hard  
period of  
transition*

CHAP. IV.      flocked from their deserted hamlets. Manufacturers were doing business under the fiercest and most unregulated competition. Economists were demonstrating their "law of supply and demand" and their "iron law of wages" as capable in themselves of regulating all the conditions and relations of business life. Epidemics raged, and depravity prevailed in the new factory centers.

*Early days  
of the  
factory  
system*

*Necessary  
phases*      But things were not, in reality, going from bad to worse. The beginnings of a better order had to be based upon two things: first and foremost, the sheer creation of capital; second, the discipline and training of workers. In the first phases, the new modern business period had to be a period of production. There had got to be developed the instrumentalities for the creation of wealth. Until the industrial system had raised up its class of efficient workers and had created its great mass of capital for productive purposes, there could be no supply of cheap goods; and without an abundant and cheap output there could be no possible diffusion of economic benefits; in other words, no marked amelioration of the prevailing poverty.

*Production  
first, social  
progress  
afterwards*

It required some development of wealth to

lift our modern peoples out of a poverty too grinding and too debasing for intellectual or moral progress. It is true that the factory towns, created as they have all been by modern industrial conditions during the past century, brought their distinctive evils. There was overcrowding in ill-built tenement houses; and long hours for women and children in the factories. Yet with these and many other disadvantages, the new industrial system made for discipline and for intelligence, and above all for a new kind of solidarity and for a sense of brotherhood among workers.

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*Good and  
evil in the  
new  
methods*

In due time the worst evils began to be mitigated, largely through the application of those very methods of organization which had characterized the new kind of industry itself. Thus for men who had applied steam power to manufacturing and had begun to build railroads, it was soon perceived to be a matter not only of sanitary and social service, but of pecuniary profit, to provide water supplies, public illumination, and other conveniences to the crowded city dwellers. Moreover, with the progress of industry and the development of railroads and steam navigation, production and trade took on an ever-increasing volume.

*Growth of  
natural  
remedies*

## CHAP. IV.

*There were  
no rich  
men*

*— until  
very recent  
times*

*Competi-  
tion and  
the part it  
played*

Then the world began to be less poor. There had been no rich men in the modern sense, and of course no such thing as capitalized corporations for production. The richest man in the United States at the time of his death, a little more than a hundred years ago, was George Washington, with his land and his slaves; and so in England and France there were no rich men in the modern sense, that is to say, no men who controlled great masses of productive capital. The men of wealth were those who held landed estates. The chief business of all countries was agriculture. The capitalistic system in industry and trade existed in its rudiments and in limited measure; but all its great achievements were yet to be wrought.

All modern business life, then, is the result of this growth of productive capital, and its application and constant reapplication to the production of wealth. It made its way by virtue of an intense individual initiative and a fierce competitive struggle. But unlovely as were these things, many of their phases were necessary at a certain stage. It was this fierce competition that compelled capital to pay the lowest possible wages in order to market cheap goods. But

the same situation stimulated the use, one after another, of new labor-saving inventions in order to increase the per capita productivity. This process was attended by the higher efficiency of the worker and an increase in his earning capacity. As his position began to improve, the worker gained some hope and cheer; and he and his fellows began to organize, with the result that both wages and conditions of labor were steadily improved, and the workman began to attain approximately his share of benefits.

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*As respects  
labor*

All this is a familiar story, although the depth of its significance is beyond the compass of any living human intelligence. It is easy to say in a glib sentence that the amount of wealth produced every few years nowadays is equal to all the accumulated wealth of all the centuries down to the early part of the nineteenth; but the social meaning of so great a change baffles all attempt at full comprehension.

*A change  
beyond  
compre-  
hension*

The competitive system, which had been essential to the launching of this modern period of production, and which had given to it so much of its irresistible momentum, at length brought the economic organization to a point of development where, in some fields of production, it

*The com-  
petitive  
period  
self-limit-  
ing*

CHAP. IV. was no longer a benefit. The accumulation of capital had become so large — and with new inventions the possible output had become so abundant — that it was well-nigh impossible to trust to the blind working of demand and supply to regulate things in a beneficial way. It began to dawn on men's minds that a successful period of competitive economic life might lead to a period largely dominated by non-competitive and coöperative principles.

*The idea  
of a better  
system*

The superior possibilities of this newest régime, along with its many difficulties and perplexities, began to captivate the minds, not merely of theoretical students and onlookers, but, even more, of great masters of industry and productive capital. It began to be seen that in place of blind and fierce competition as a regulator of prices and as an equalizer of supply and demand, there might come to be gradually substituted some more consciously scientific methods of business administration and of the adjustment of production to the needs of the market.

*Capital  
relatively  
abundant*

Furthermore, with the development of business on the great scale, capital had become relatively abundant and cheap, while, on the other hand, labor was becoming relatively expensive and exact-

ing. It was evident that the modern system of industry had passed through its earlier period to one of comparative maturity; and that the problem of wealth production was no longer so exclusively the pressing one, but that the problems of distribution were demanding more attention.

How to organize business life on a basis at once stable and efficient; how to see that capital was assured of a normal even though a declining percentage of dividends, while labor should be rewarded according to its capacity and desert, — were problems which took on public rather than private aspects. And when the business world began to face these problems with the consciousness that they were to be met, it had virtually passed over from the lower plane of moral and social responsibility to the higher plane, where what the directing minds do or decide is not measured solely by immediate results in money getting, but also by the test of larger social and public utilities.

Although these conditions are not novel ones, and are therefore not difficult to grasp even when stated in general terms, it is still true that the concrete often helps to make the point appear

CH AP. V.

*Business  
problems  
take on a  
public  
character*

*Railroads  
as an  
instance*

CHAP. IV. more pertinent. Take, then, the railroad business as it is now shaping itself, in comparison with its conditions and methods twenty or thirty years ago. The railroads have always existed by virtue of charters which gave them a quasi-public character, and have always been theoretically subject to certain old principles of English common law under which the public or common carrier, like the innkeeper, performs a function not wholly private in its nature. Nevertheless, in its earlier stages the railroad system of this country was in large part constructed and operated by its projectors with no sense whatever of responsibility for their performance of public functions, but with the idea that they were carrying on their own private business, in which interference on the part of the public was to be avoided and resented. They fought the railroad codes of state legislatures in the federal courts; they made oppressive rates to give value to new issues of watered stock; they discriminated in favor of one city and against another; by a system of secret rebates they made different terms with every shipper, thus enabling a merchant or a manufacturer to destroy his competitors; and they pursued in general a career at

*Public and  
private  
aspects*

*The fight  
against  
public  
regulation*

least anti-social in its spirit and false and short-sighted in its principles.

CHAP. IV.

A profound change — would that it were already complete! — is coming about in this great field of transportation business. It is perceived that many of the evils to which I have alluded were incident to the speculative periods of construction and development in a new country. The better leaders in the business of railway administration now see clearly that it is the duty of the railroads to work with and for the public and not against it. The railroads are gradually passing out of the hands of the stockjobbers and speculators, into the control of trained administrators. It is to be remembered that in a country like ours, the largest single branch of organized administration is that of the railroads. We have reached a point where their relations to all the elaborate interests of the community are such that their public character becomes more and more pronounced and evident. It was only the other day that a brilliant railway administrator, Mr. Charles S. Mellen, recently president of the Northern Pacific, and now president of the New York, New Haven & Hartford system, made some statements in an address to the business

*The  
change  
that is  
coming  
about*

*Railroads  
our largest  
organized  
interest*

CHAP. IV. men of Hartford at a Board of Trade meeting. With much else of the same import, he made the following significant remarks:—

*"Publicity should rule now"* "If corporations are to continue to do their work as they are best fitted to, those qualities in their representatives that have resulted in the present prejudice against them must be relegated to the background.

*Public ownership the alternative*

"They must come out into the open and see and be seen. They must take the public into their confidence and ask for what they want and no more, and then be prepared to explain satisfactorily what advantage will accrue to the public if they are given their desires, for they are permitted to exist not that they may make money solely, but that they may effectively serve those from whom they derive their power. Publicity should rule now. Publicity, and not secrecy, will win hereafter, and laws will be construed by their intent and not killed by their letter; otherwise public utilities will be owned and operated by the public which created them, even though the service be less efficient and the result less satisfactory from a financial standpoint."

Mr. Mellen's state of mind is that which ought to prevail among all the managers of cor-

## CHAP. IV.

porations which enjoy public franchises and perform functions fundamental to the welfare of the community. There will at times be prejudice and passion on the part of the public, and unfair demands will be made. We shall not see the attainment of ideal conditions in the management or the public relations of any great business corporations in our day. But the time has come when any intelligent and capable young man who chooses to enter the service of a railroad or of some other great corporation may rightly feel that he becomes part of a system whose operation is vital to the public welfare. He may further feel that there is room in such a calling for all his intelligence and for the exercise and growth of all the best sentiments of his moral nature.

*A system  
vital to the  
public  
welfare*

In the vast mechanism of modern business the constructive imagination may find its full play; and the desire to be of service to one's fellow-men in a spirit reasonably disinterested may find opportunity to satisfy itself every day. Under these circumstances there is no reason why railway administration should not take on the same ethical standards as belong rightly to governmental administration, to educational administration, or to the best professional life.

*The  
ethical  
standards  
of railway  
adminis-  
tration*

## CHAP. IV.

*In the field  
of finance*

*Social  
ethics of  
banking*

The same thing is clearly true when one considers nowadays the delicate and important functions of the world of banking and finance. The old-fashioned money changer and the usurer of earlier periods were regarded as the very antitheses of men engaged in honorable mercantile life, and especially of those who possess a social spirit and the desire to be useful members of the community. But in these days the banks are not merely private money-making institutions, but have public functions that admittedly affect the whole social organism, from the government itself down to the humblest laborer. They must concern themselves about the soundness and the sufficiency of the monetary circulation; they must protect the credit and foster the welfare of honest merchants and manufacturers; they must coöperate in critical times to help one another, and thus to sustain the public and private credit and avert commercial disaster; they must at all hazards protect the savings of the poor. Thus the banks, like the railroads and many other corporate enterprises, are quasi-public affairs, in the conduct of which the public obligation grows ever clearer and stronger.

We are not at heart — in this splendid coun-

try of ours — engaged in a mad struggle and race for wealth. We are engaged rather in the greatest effort ever made in the world for the upbuilding of a higher civilization. To avow that this civilization must rest upon a physical and material basis — that is to say, upon a high development of our productive capacity and upon a constant improvement in our processes of distribution and exchange — is not, on the other hand, to confess that our civilization is materialistic in its nature or in its aims. I was very glad, not long ago, to read the wholesome and understanding words of a distinguished clergyman. He declared that this nation was founded on an ideal, and that the most powerful influences in its life to-day are working toward noble ideals. The moral and spiritual tone of the country, he asserted, is higher than ever, in spite of the accidents of wealth and poverty. He declared that the great host of men and women who cherish our ideals will continue to stamp idealism upon the minds and hearts of our youth, and that they in turn “will convert wealth to the service of ideals.”

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*Our efforts  
are for  
civilization**“Convert  
wealth  
to the  
service of  
ideals”*

✓

Such views are not merely the expressions of a comfortable optimist. They are true to the facts of our current progress. There are vast

## CHAP. IV.

*Fertilizers  
and  
idealism*

*Cotton  
mills as  
evangels*

*Poverty  
as the  
common  
foe*

portions of this country to-day in which the enterprising business man who can succeed in selling to the farmers an honest and effective commercial fertilizer is the best possible missionary of idealism, — is, in fact, a veritable angel for the spread of sweetness and light. There are regions where the capitalist or the company that will build a cotton mill or some other kind of factory is rescuing whole communities from degradation. It is poverty that has kept the South so backward, and it is poverty alone that explains the illiteracy and the lawlessness not merely of the Kentucky mountains, but of great areas in other states as well. Good schools cannot be supported in regions like those, for the palpable reason that the taxable wealth of an entire school district cannot yield enough to pay the salary of a teacher. But when modern business invades those uplands, utilizes the water power now wasted, opens the mines, builds cotton factories or foundries, the situation changes almost as if by magic.

There will, indeed, ensue a brief period of disturbance due to changed social condition, — to women and children in factories, and other things of incidental or serious disadvantage. But,

as against a survival of the sort of life that was widely prevalent a century or two ago, all the phenomena of our modern industrial life make their appearance, in full development. The one-room cabin gives place to the little house of several rooms. There is rapid diffusion of those minor comforts and agencies which make for self-respect and personal and family advancement. The advent of capital, that is to say, of taxable property, is speedily followed by the good schoolhouse and the good teacher.

CHAP. IV.

*Magical  
transformations*

It is instructive to note the transformation that is thus taking place in one county after another of the Carolinas, or Georgia, or others of the Southern states, because the conditions make it possible to witness within a single decade the triumph of those business forces which, while they have even more truly and completely transformed the prosperous parts of America and Europe, have operated more gradually through longer periods, and therefore in a less easily perceived and dramatic fashion.

*Best seen  
in the new  
South*

Our modern ideals have required, not the refinement and the culture of the select few, but the uplifting and progress of the multitude. This could only be possible through a general devel-

## CHAP. IV.

*Cost of  
uplifting  
the many*

opment of wealth, so vast in comparison with what had previously existed as to constitute the most highly revolutionary fact in the history of human civilization and progress. The man, therefore, who has a clear perception of those laws of mind and of society under which modern economic forces have been set at work, cannot for a moment think that the end and outcome of this modern business system is a new kind of human bondage, "the rich growing richer and the poor growing poorer"; or that it can mean any such thing as the elevation of property at the expense of manhood.

*The  
capitalist  
and the  
community  
he serves*

Even if it were a part of my subject to discuss the growth of vast individual fortunes as an incident of this modern development of wealth, which it is not, there would be no time for more than a passing allusion. And in making such an allusion, I might be content to call attention to my earlier dictum, that progress is not upon direct lines, but tangential or zigzag. When the factory appears on the Piedmont slopes of the Appalachian country, it may indeed make a fortune for the missionary of civilization who planted it there. But meanwhile it has given the whole neighborhood its first chance to relate

itself to the civilized world. I am content for the present to leave that neighborhood in possession of its opportunities, serenely confident that it will in due time work out its own completer destiny.

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When the capitalist has retired from the scene of his exploitation, will the day arrive when the regenerated neighborhood will own that factory, and others, too, for itself? Very likely. In any case, the neighborhood has been emancipated from its worst disadvantages.

In short, I have little doubt but that the further progress of our civilization will give effect to certain economic laws and tendencies, and to certain social rules and principles, that will make for a higher measure of equality in the distribution of realized wealth. Meanwhile, wherever a practical step can be taken to remedy an evil, let us do what we can to promote that step. Let us recognize the already great possibilities for useful participation in the social and public life that belong to an honorable business career.

*A wider  
distribu-  
tion in-  
evitable*

From the standpoint of the intellectual interest of the young man going into business, let it be borne in mind that there are scientific principles underlying every branch of trade or commerce

CHAP. IV.

*The play of  
fancy in  
humdrum  
pursuits*

✓

*Intelli-  
gence and  
the  
genuine  
product*

or industry, and that there is almost, if not quite, as much room for the delightful play of the faculty of imagination in the successful conduct of a soap business as in writing poetry or in making statuary groups for world's fairs. The cultivation of public spirit in the broad sense, and the determination to be an all-round good and efficient citizen and member of the community, will often help a man amazingly to discern the opportunities for usefulness that lie in the direct line of his business work. The more thoroughly he studies underlying principles — whether of a technical sort as related to his own trade, or of a general sort having to do with the organization and general methods of commerce — the less likely he will be to take narrow and anti-social views of business life. The high development of his intelligence in relation to his own work will show him the value in his business — as in all else in life — of the standard thing, the genuine thing, the thing that will bear the test as contrasted with the shoddy, or the inferior, or the spurious.

Our technological schools, our colleges of mechanic arts, our institutes of agriculture and their related experiment stations, — these are all teach-

ing us many valuable object-lessons regarding the way in which the wealth of the individual and that of the community can both, at the same time, be advanced by scientific methods. Thus it is coming about that business life is ever more ready to welcome the most highly trained kinds of intelligence, inasmuch as it is perceived that specialized knowledge is henceforth to be the most valuable commodity that a man can possess.

CHAP. IV.

*Scientific  
basis of  
material  
progress*

I have already said that the delicate problems of distribution must be faced ever more frankly and liberally by the modern business world. Thus, those who control capital, or administer capitalized enterprises, cannot afford any longer to be without a knowledge of the history and significance of the labor movement. I am speaking now from the standpoint of the business man. There is much to be said, doubtless, in respect to the shortcomings and the sometimes fatuous and even suicidal methods of the labor organizations. But for the modern business man who cares to take his place influentially in commerce, in social life, and as a man among men in his city or his commonwealth, it is no longer justifiable to be unfamiliar with the labor question in its economics and its history.

*Labor's  
history and  
destiny*

## CHAP. IV.

*The  
higher  
schools can  
train in  
principles*

Herein lies one great service that the university can perform (and our best colleges and universities are to-day performing it with marked intelligence and ability), the service, namely, of providing very liberal courses for young men who expect to go into business, in the general science of economics, in the history of modern economic progress, in the development of the wage system, in the history and methods of organized labor, and in very much else that helps to place the life of a practical man of business affairs upon a broad and liberal basis. In the early days of our history it was the especial function of the college to train young men for the ministry. In a somewhat later period it was notably true of institutions like Yale and Princeton that their training seemed to fit many men for the law and for statecraft. We had, you see, passed from that theocratic phase of colonial New England life to the political constructive period of our young republic.

*The  
university  
and  
modern  
life*

But we have been passing on until we have emerged in a great and transcendent period of commercial expansion and scientific discovery and application. It is a hopeful sign, therefore, that our universities are finding out and admitting

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the demand that present-day conditions impose, and are training many men in the pursuit of modern science, while they are training many others in the understanding of the application of social and economic principles to modern life. All this they are doing and can well do without ignoring the value of the older forms of scholarship and culture.

But I have a few remarks to make also upon the ethical relations of the business world of to-day toward the political world; that is to say, toward organized government, whether in its sovereign or in its subordinate forms. We cannot take too high a ground in proclaiming the value, for the present, at least, of the political organization of society. I should like to dwell upon this point, but I must merely state it. If the State, — *i.e.* the political form of social organization — is valuable, it stands to reason that it must be respected and maintained at its best. It is also obvious that it will have a higher or a lower character and efficiency, according to the attitude toward it taken by one or another of the dominant factors that make up the complex body politic.

*The State  
and its just  
claims*

Thus, for example, it is the feeling of men in

## CHAP. IV.

*Need of  
loyalty to  
govern-  
ment*

control of the political organization in France to-day that the Church, as a great factor in the social structure of the nation, is essentially hostile to the spirit and purposes of a liberal republic. Hence a great disturbance of various relationships. I do not cite that instance to express even the shade of an opinion. My point is that if the political organization of society is desirable and to be maintained, it is a fortunate thing when one finds the dominant forces of society rendering loyal and faithful support to the laws and institutions of government and recognizing without reserve the sovereignty of the State. Yet in our own country there is a widespread feeling that many of the most potent forces and agencies in our business life are not wholly patriotic, in that they are not willing in practice to recognize the necessity of the domination of government and of law. I do not believe that this is permanently and generally true. It would constitute a great danger if it were a fixed or a growing tendency.

*Business  
forces  
must be  
patriotic*

*Public  
interests too  
often in  
weak hands*

As matters stand, however, every one must admit that there is an element of danger that lies in the very fact that as a nation we are in a condition of peace, content, and prosperity, and do not find our political institutions irksome. The

## CHAP. IV.

danger consists in this: that under such circumstances the rewards of business and professional life are for the most part so much more certain and satisfactory than those which come from the precarious pursuit of politics, that public interests have a tendency to suffer from being in weak hands, while private interests have a tendency to assert themselves unduly, from being in the hands of men of superior force. Thus it happens that it is often difficult for the State to maintain that dignity, that mastery, that high position, as the impartial arbiter and dispenser of justice, which it is now even more necessary than ever that it should maintain, in order that the whole social organization should keep a true harmony and a safe balance.

*State's  
mastery  
must be  
maintained*

At present, the State is largely concerned with the maintenance of conditions under which the economic and business life may operate equally and prosperously. The State in one sense is the master of the people. In another sense it is merely their creature and their agent for such purposes as they choose to assign it. Is the State, then, to absorb the industrial functions, and are we to develop into a socialistic commonwealth? Or, shall the political democ-

*It  
establishes  
conditions  
of pros-  
perity*

## CHAP. IV.

*Business  
interests  
need strong  
govern-  
ment*

racy and the coöperative organization of business life go on side by side, related at many points, but in the main distinct from each other? Whatever the relation of the State to industry may be destined to become in the distant future, we may be sure that there will be no rash upheavals, no harmful socialistic experiments, if the potent business world clearly sees how necessary to its own salvation it is that the State shall be maintained upon a high plane of dignity and honor, and that the official dispensation of justice, as well as the official administration of the laws, shall be prompt, just, and impartial.

✓  
*Vital to  
economic  
progress*

There is no higher duty, therefore, incumbent upon the business man of to-day than to bear his part in promoting and maintaining the purity of political life. The modern business man should regard good government as one of the vital conditions of the best economic progress. Yet scores of instances are at hand that show to what a painful extent certain business interests again and again, for purposes of immediate advantage, — to secure a franchise, to escape a tax, or to procure some improper favor or advantage at the hands of those in political authority, — have employed corrupt methods and thus stained

the fair escutcheon of American business honor, while breaking down the one most indispensable condition of general business progress; namely, honest and efficient free government.

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I will not dwell upon these things. It is enough to say that they are things the modern business man must have upon his conscience. For, if such offenses come by way of the business world, their remedies must also come, and indeed can only come, by that same path. In our municipal life, for example, it is the aroused interest and zeal of the best business community for better government and better conditions that can alone produce important results. Happily, all over the country we find chambers of commerce, boards of trade, merchants' associations, and other bodies of men of practical business affairs, taking their stand for the transaction of public business upon high standards of character and efficiency. I have no doubt or fears as to what the result will be. All of our large cities are themselves purely the creations of modern industrial, commercial, and transportation conditions. And I hold that these very forces of industrial and commercial life that have created the problems by bringing together great masses of

*Better  
municipal  
govern-  
ment**The civic  
duty of  
business  
men*

## CHAP. IV.

people in crowded communities, must and can in turn solve the problems by the application to municipal government of the scientific and intelligent principles which belong to the best phases of business life.

*What can  
be done  
for the  
towns*

All of this relates to my subject; but I must pass it by with a mere statement or two. It belongs to the developed constructive imagination and to the trained ethical sense of the modern business man to perfect the transit systems, to improve the housing conditions, to assure cheap sanitary water supplies, cheap illumination, and, above all, due provision for universal education, parks, museums, and opportunities for recreation, — in short, all possible improvements of environment that can make life in our cities not merely endurable but beneficial for the people.

*A field  
especially  
for men  
of affairs*

Here, then, is furnished a great field for the definite and conscious aspirations of the successful man of business. Here lies a great, many-sided work for social and moral as well as physical and material progress which the business man, in the quality of good citizen and man of public spirit, is fitted better than any one else to accomplish.

The intelligent young man who holds before

himself ideals of usefulness that extend to such projects as these, may be sure that the modern conditions of life will bring him great opportunities, and he may feel that he is thus lifting his business career up to the plane of idealism that has, in the past, been reserved for a few exclusive professions. Partly through his own endeavors — largely through association in commercial or other organizations with his neighbors — he may help to accomplish for the benefit of all his fellow-men of a great community one step after another in the direction of public works that will meet the needs of a high civilization.

Some of the most useful men, as well as the most unselfish and devoted, with whom I come in contact are successful business men of large affairs. They are modest and unassuming; simple and direct in their methods; wide as the world in their sympathies; lofty as the stars in their aspirations for human progress; sagacious beyond other classes of men, and respected to the point of veneration by those who know them well, because they are men of deeds rather than of words, who make good their professions from day to day. Business has not so narrowed them, nor has devotion to philanthropic ends or public

CHAP. IV. ✓

*The great opportunities before young men**The high type of American business man*

CHAP. IV. reforms so distorted their mental visions, that they are not able to enjoy what is good in life, whether books, music, pictures, the companionship of friends, or the restful contact with nature in field and forest.

*The ethics of action*      The lives of such men are dominated by certain fixed ethical standards. Given such moral landmarks, the remarkable conditions and unequalled opportunities of modern business life will promote the frequent development of men of this kind, with their breadth of view and strength of mind and character. It is the positive and aggressive attitude toward life, the ethics of action, rather than the ethics of negation, that must control the modern business world, and that may make our modern business man the most potent factor for good in this, his own, industrial period.

**JEFFERSON'S DOCTRINES  
UNDER NEW TESTS**



## CHAPTER V

### JEFFERSON'S DOCTRINES UNDER NEW TESTS

IN 1904 there was held at St. Louis a great exposition whose object it was to exemplify the amazing progress that Mr. Jefferson foresaw as a result of his acquisition of the trans-Mississippi country. In the following year there was a creditable exposition in Oregon to commemorate the one hundredth anniversary of Jefferson's expedition under command of Lewis and Clark. In 1907 comes the celebration of the noteworthy completion of three hundred years of English-speaking men in the commonwealth of Virginia.

*Some  
historical  
anniversaries*

In these commemorations of the opening decade of our twentieth century, Mr. Jefferson stands forth as in many respects the most conspicuous figure. A multiplicity of speeches, brochures, biographical studies, and historical reviews of the Jeffersonian period has within recent

*Jefferson  
as the  
leading  
figure*

## CHAP. V.

*The  
vitality of  
his doc-  
trines*

*His long  
career*

*Excep-  
tional  
training  
for Presi-  
dency*

years attested the marked revival of interest in the career of this eminent Virginian. I could not hope to add anything, not indeed so much as a single suggestion, concerning Mr. Jefferson's personality or public career to that which has become the common stock of knowledge in Virginia, where the great sons of the commonwealth are kept in memory by accomplished speakers and writers. All that I shall venture to do is to attempt some reflections upon what I may call the carrying power and the vitality of Mr. Jefferson's political opinions and doctrines.

It is not necessary to agree with every opinion Mr. Jefferson ever expressed, or to applaud every attitude or act of his public career, in order to be counted among those who admire him sincerely and profoundly, and who find his writings a marvelous repository of political wisdom and knowledge. His was a very long period of active statesmanship and public influence. That period reached its zenith in the first term of his incumbency of the office of President, about a hundred years ago. He entered the Presidency with a thoroughness of training and a ripeness of experience beyond that of any other man who has ever attained this high office. As might have

been expected, his first inaugural address was one of great dignity and elevation of sentiment, — a stately utterance, a model and a classic in form and in breadth and serenity of view. He had been called to guide the affairs of what he described as “a rising nation, spread over a wide and fruitful land, traversing all the seas with the rich productions of their industry, engaged in commerce with nations who feel power and forget right, advancing rapidly to destinies beyond the reach of mortal eye.”

CHAP. V.

*A forecast  
of American desti-  
nies*

It was, indeed, a wide and fruitful land. But Mr. Jefferson himself was ordained by Providence to make it vastly wider, and in many ways to enhance its fruitfulness. Our population at that time was only a little more than five millions, and our domain was bounded by the Mississippi River on the west, and by the European colonies of Florida and Louisiana on the south. He lived to see our population grow to about twelve millions, with the Florida Purchase consummated and with every reason to believe that in due time the joint occupation of the Oregon country by the United States and England would terminate in our acknowledged control of the region traversed by Lewis and Clark all the way to the

*Expansion  
in Jefferson's time*

*Growth  
that he  
promoted*

## CHAP. V.

*His views  
and his  
deeds*

Pacific Ocean. But, as I have said, it is **Mr. Jefferson's** views rather than his achievements that belong to my theme.

*He looked  
forward*

Though of a philosophical and reflective **habit**, and himself a diligent student of the past **ex-**perience of men grouped in political communities, Mr. Jefferson's own eyes were usually turned forward rather than backward. His was an eminently practical mind; and he used history chiefly as the touchstone by which to test current opinions and tendencies for the sake of an ever-better future. All political principles and theories, all the history of the past, all the implements and methods of statecraft, were studied by Mr. Jefferson with the one concrete object of enabling him and his colleagues (to quote from that same inaugural address), "to steer with safety the vessel in which we are all embarked amidst the conflicting elements of a troubled world."

*His use of  
political  
history*

*Our  
present  
situation*

Now, just as Mr. Jefferson himself examined the doctrines of the English and French philosophers, humanitarians, and economists, with a view to the establishment of his own opinions, so I find myself at present disposed to consider not so much the problems that lay before our countrymen a hundred years ago as our own

problems of to-day, except as those of the former period may have some bearing upon the issues that confront us now as we have fairly crossed the threshold of a new century and are casting about us for wise courses, still finding ourselves "amidst the conflicting elements of a troubled world." And I have asked myself, What valid, trustworthy, and still enduring basis have the principles of Mr. Jefferson as applied to our own present and immediate future?

CHAP. V.

*Do the  
Jefferso-  
nian prin-  
ciples still  
apply?*

Have we outlived his generalizations? Was he, to a large extent, superficial and specious? Was he a doctrinaire in a sense that should now cause us to distrust his practical conclusions? Was he sentimental and visionary? Was he hasty in pronouncing radical and sweeping verdicts? Did he allow his love of glittering expressions and abstract dicta to impair his judgment? Did he reason to permanent conclusions from isolated instances or merely transient phenomena, and thus violate scientific methods?

*The  
question  
stated*

Political philosophers come and go. Half a dozen new ones, who were the vogue ten or twenty, or even five, years ago, are now confessedly obsolete. They do not stand the test of time. Yet there must be some principles of govern-

*The pass-  
ing of po-  
litical phi-  
losophers*

CHAP. V.      ment, of national policy, of social and political ethics, approaching nearly enough to essential truth and justice to meet the fluctuations of at least one century, and to hold some rightful claim to popular confidence and allegiance. Men must hold by some opinions; what, then, shall they be?

*Outward  
changes  
since  
Jefferson*      Many things in outward circumstances have changed more profoundly in the past one hundred years than in a thousand years preceding. The production of wealth, for example, has been greater by far since the death of Mr. Jefferson than were the total accumulations of the world through all the ages down to that date. Moreover, there has been most marvelous development of population; and every one feels that we are entering upon new and unknown periods of transition at an ever-accelerating pace. What landmarks can we keep in view, or by what charts and compasses shall we be guided as we embark on momentous new voyages? In these inquiries, I have in mind, not so much the world at large as the people of the United States; and I have particularly in mind two or three lines of questioning. One of these has to do with our national position and policy, as respects other nations and the world

*What  
landmarks  
can we  
keep?*

at large. Another, with some of our internal problems of government and politics, and perhaps a third, with the economic and social status of the individual citizen — the outlook, so to speak, for the average man under fast-changing methods of production and distribution. And a fourth might have to do with the relation of the State itself to industry and economic society.

CHAP. V.

*Public and  
private  
outlooks*

Further, in alluding to some of these present-day problems, I would like to make test, incidentally, at least, of the doctrines and opinions of Thomas Jefferson, to see if they hold good, and if Jefferson is still entitled to be looked upon as a prophet and a guide. I shall not try to use any rhetorical art whatsoever to heighten the effect of my own conclusions as respects the essential qualities of the body of political doctrine taught by Mr. Jefferson; and I shall make haste, therefore, to anticipate some more detailed avowals by declaring in advance, and in general terms, my strong belief in Mr. Jefferson as an enduring prophet.

*Jefferson  
as an  
enduring  
prophet*

I find myself wondering again and again how that fine and lucid intelligence of his could, by the time he was thirty years old, in provincial Virginia, a hundred and thirty years ago, have become

*An eman-  
cipated  
mind*

## CHAP. V.

*Freshness  
and  
modernity*

*Across the  
middle  
period*

*Some  
compari-  
sons*

*More  
recent than  
Webster or  
Calhoun*

so perfectly emancipated. When to-day I re-read his utterances, the one thing that impresses me above all else is the freshness, the modernity, of his way of looking at everything. The openness and the freedom of his mental processes seem to bring him across the chasm of the middle of the nineteenth century to a place with thinkers like John Stuart Mill and Huxley at their best period. Since Jefferson's time, we have had few public men of large vision. At least these later statesmen, if endowed by nature with capacity to formulate principles, have not enjoyed as favorable opportunities. They have been involved in controversies over immediate issues, and have been in the position of men in the thick of the woods, hindered by the trees from seeing the forest. Compared with Jefferson, in practical statesmanship, John Bright seems a limited though a congenial spirit; and Mr. Gladstone, a similarly versatile and capacious mind but with prejudices of class and creed that yielded only painfully and slowly through a half century of experience. Our own Websters and Calhouns and Clays seem merely a part of a past epoch. Jefferson's thinking seems to reach to the things of to-day, while those men of the forties and fifties

appear almost as remote as the figures of Plutarch's time. Lincoln's thought had, doubtless, much of the quality that survives, and, among our later men, I think you will some day give a larger place to Seward than either North or South has yet accorded him. But for flexibility of mind, and for perennial freshness of doctrine and statement, it seems to me Jefferson must still bear the palm.

CHAP. V.

*Lincoln  
and  
Seward*

It must be remembered that the launching of a new and powerful nation has not been a frequent occurrence in the history of the world. The erection of a sovereign State to take its place as a member of the family of nations has almost invariably been a matter of sheer force, of bloody violence, of titanic struggle, rather than one of a calm and philosophic shaping of political institutions. Thus, never elsewhere has either the forming of a new State or the political remaking of an old one been accompanied by any such magnificent setting forth of the practical and theoretical principles of government, of politics, of jurisprudence, of international law, and of foreign and domestic statesmanship, as that which attended the formative period in the United States.

*The making of a nation*

*Doctrine in our formative period*

During this memorable period, George Wash-

## CHAP. V.

*Washington and Jefferson*

*Hamilton and others*

*Conditions that produced great men*

ington held the first place as a man of action and of noble and sagacious leadership, while in all deference it may be said that he held second place as a man of reflection and as the exponent of distinctively American opinion. His colleague and friend, Thomas Jefferson, held a place second to Washington only as a leader in actual affairs, and a place unquestionably the very first as a formulator of opinion and an exponent of our American system of popular democratic government. And all this I say, without abatement of one particle of the admiration I entertain for the powerful statesmanship of Alexander Hamilton, for the learning and persuasive logic of James Madison, for the wisdom and greatness of John Jay, and for the constructive intellect and priceless services of John Marshall. How many others there were in that noble company of Americans, many of them young men, who were brought to great elevation of view, as evinced in their work in the Continental Congress, then later in the discussions that controlled the framing and adoption of the Constitution, and in the executive, legislative, and judicial acts and decisions, and the diplomacy, of the period that ended, let us say, with the death of Thomas Jefferson and John

Adams, who passed away on the same Fourth of July, in the year 1826.

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Of some of these men — as of Washington, and perhaps Hamilton — it must be said that they were “born great.” Most of them had “greatness thrust upon them” by the sheer force of circumstances that developed their best capacities. These men were compelled to study the position of their young republic, both as regards its domestic structure, and also as related to the world at large, in a period when the struggles and convulsions of Europe were stirring men’s minds and causing them to see things in new lights, with renunciation of old prejudices. Thus they were lifted above the commonplace. It was impossible to go on in ruts. Jefferson and Benjamin Franklin must, I think, in any case, have achieved greatness without the stimulus of exceptional circumstances, through the inherent power of minds of rare energy and of still more rare versatility — to which, in both cases, was added the gift of abstract and philosophical reasoning, and, finally, a touch of that something we call genius and do not try to explain.

*The force  
of circum-  
stances*

*Jefferson  
and  
Franklin*

In the very nature of things a new English-speaking commonwealth, emerging in that par-

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*The earlier  
time and  
its doc-  
trines*

*This later  
time in  
compari-  
son*

*Need of  
some guid-  
ing prin-  
ciples*

ticular period, must have formulated for itself some doctrines and general opinions. The circumstances were of a well-balanced sort as respects what one may call the relative exigencies of domestic and foreign problems. Thus our statesmen were able to work out schemes, both of doctrine and of practical policy, that in spite of vicissitudes and profound changes of the nineteenth century have had momentum enough to project themselves, without much serious deflection, across the line of a new century. And now, if I mistake not, the country has reached a juncture where once more the relative exigencies of domestic and external problems not only permit us but also compel us to try again to take our bearings as respects underlying principles and national attitudes and policies.

To the wholesome and normal mind some principles and creeds are necessary — if for no other reason than to serve as a working hypothesis. And it is eminently true in the conduct of public affairs, that for wise results there must be some admitted principles of government and some fixed landmarks of policy. Otherwise, disastrous mistakes will be made and recognized only too late. The word *policy*, as applied to a nation's

affairs, though broad enough to include all general and fixed trends of action, may well be restricted to external relationships. In my use of it I have in mind more particularly the intentions and aspirations, as well as the actual conduct, of a nation, in its dealings with other countries and its plans as to the world at large.

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*Policy and its meaning*

For some countries the problems of foreign policy are so delicate and difficult that they cannot very well be discussed openly. Thus at times British, German, and Russian policy must be learned by inference rather than by any frank or responsible avowal. The United States in this respect has occupied a favorable and fortunate position, and we have usually found it to be both safe and wise to discuss freely and openly the principles having to do with our relations toward other countries. During the past century American policy has had its pivot in what we commonly call the "Monroe Doctrine," and what the European nations refer to as "Monroeism." Those who find it sufficient, in discussing the Monroe Doctrine, to recall the exact wording of a particular utterance formulated by John Quincy Adams, as Secretary of State in President Monroe's second administration, fail to appreciate the under-

*Foreign relationships**The Monroe Doctrine*

CHAP. V.      lying fact. This precise utterance did not make  
*The underlying fact*      our American policy, but was simply a timely  
and valuable expression of a policy that had been  
shaping itself for a quarter of a century previous,  
that had found a partial—and, in so far, authoritative—  
expression in Washington's farewell address.

*The real author of the doctrine*      If I have studied aright the history of American  
policy, it was Thomas Jefferson, as Washington's  
first Secretary of State, and as our foremost exponent  
of national doctrine and principle, who—incomparably  
more than any one else—thought out, developed, and  
expressed the ideas that we have in mind when we  
mention the Monroe Doctrine. It was he whose  
teachings made this doctrine the one great fixed  
landmark to guide us in our relations with the world  
at large.

*A masterly achievement*      As the Louisiana Purchase was the foremost  
single act of domestic statesmanship in our national  
history during the last century, so the evolution of  
the Monroe Doctrine was the one great feature of  
our statesmanship as it dealt with external affairs.  
It was an achievement of such overshadowing  
greatness that in comparison with it everything  
else falls into the background.

What, in its fundamental aspect, is the Monroe Doctrine? Jefferson saw the group of European nations engaged in almost incessant warfare with one another, changing boundaries through conquest, making and breaking alliances, struggling painfully for release from the shackles of mediæval systems, in response to new ideas of popular progress; and through it all he foresaw with wonderful clearness the gradual evolution of a better order of things and the ultimate establishment of a peaceable, modern concert of European nations, working its way by hard experience out of the old military balance of power. He anticipated the breaking up of the Turkish Empire and the extension of the European system across the Mediterranean into Africa and beyond the Bosphorus and the Caucasus into Western Asia. He had no misgivings at all about the future outworking of the spirit of human liberty and of democratic and industrial progress in those blood-stained regions of the Old World.

But, meanwhile, he conceived of a new American world based on principles of equality and freedom, and beginning its political career at a point of human emancipation which it might well take Europe two centuries to attain. And

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*Old-world  
conditions**What  
Jefferson  
saw**A new  
American  
world*

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*A states-  
man's con-  
ception*

he believed that this new and beneficent system in the Western Hemisphere should be allowed to work out its destiny without alliances or entanglements with the European nations, both for the happiness of our own people and also for the subsequent benefit of the rest of mankind. I do not say that Jefferson was alone in entertaining this great conception, yet I have not the slightest doubt that he held it, in all its wide and varied aspects, with far more clearness of vision than any other man — just as I know that he expressed it better than anybody else either before his day or since, down to our own time.

*Ultimate  
dominance  
of the  
United  
States*

While we were still bounded by the Mississippi River on the west, and inclosed on three sides by the territorial possessions of European powers, — with all of Central and South America, and every dot of the West Indies held as crown colonies by European sovereigns, — Jefferson saw more vividly, and announced with more boldness and definiteness than any public man at Washington has ventured to assert down to our own day, the necessary ultimate dominance of the United States, and the high policy that must be followed in pursuance of a faith in our manifest destiny. He believed that the whole Western Hemisphere must

be brought out from under European control, and that the American Republic must assume the leadership in the development of democratic institutions throughout the New World.

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In 1805 he declared: "I know that the acquisition of Louisiana has been disapproved by some, from a candid apprehension that the enlargement of our territory would endanger its Union. But who can limit the extent to which the federative principle may operate effectively? The larger our association, the less will it be shaken by local passions; and, in any view, is it not better that the opposite bank of the Mississippi should be settled by our own brethren and children than by strangers of another family? With which shall we be most likely to live in harmony and friendly intercourse?"

*The  
Louisiana  
Purchase*

*"Settled  
by our own  
brethren"*

So strongly did he feel the necessity of a period of isolation in the working out of our own experiment, that he went so far at times as to say frankly that he would like to see us as wholly cut off from European influence as China itself then was. This, of course, was for the sake of that distinctive growth of an American nationality, and an American system, for which he believed a period of seclusion and of obscurity might be valuable.

*Growth of  
an American  
nationality*

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*The continental view*

He never, of course, forgot the ultimate reaction of our example upon the character of the European countries. Thus, a little more than a hundred years ago, he wrote to an American statesman: "A just and solid republican government maintained here will be a standing monument and example for the aim and imitation of the people of other countries." In another letter, fifteen years earlier, a year before the framing of the Constitution, Mr. Jefferson had shown the breadth of his view by writing: "Our confederacy must be viewed as the nest from which all America, North and South, is to be peopled."

*As to Spanish America**Expansion foreseen*

He was fearful at that time lest the Spaniards should be too weak to hold South America. His view on that subject is too interesting to be allowed to be forgotten. He did not believe that the Spanish colonies were capable of republican self-government, and he thought it best that they should remain quietly under the domination of Spain until our own population should have been sufficiently advanced to gain the territory from the Spaniards "piece by piece," to quote his own phrase. Thus, even as early as 1786, Jefferson foresaw the inevitability of our expansion, until we had acquired the Floridas, the Louisiana

country, Texas, and the great Spanish domain of California and Northern Mexico.

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With some prescience, seemingly, of the infelicity of our having to wrest such territory away from a Spanish-speaking American republic, such as Mexico became, he had hoped that Spain would hold on until we could emancipate the territory piece by piece and develop it into happy, self-governing states in our own confederation. In these days of the railroad, the telegraph, the fast steamship, and the daily newspaper, large confederacies seem easily enough possible. But we must not underestimate the boldness of Thomas Jefferson in declaring, a hundred and twenty years ago, that it would be feasible not only to bring the whole of North America under our one federal government, but even possible to bring in South America also. In later years, when problems of practical statesmanship, rather than the bold survey of future destiny more habitually occupied his mind, he contented himself with strong declarations in favor of the acquisition of Cuba by the United States, and of the annexation of Canada at the first convenient opportunity.

*The expected process*

*His later demands*

Undoubtedly it was his opinion — indeed, he expressed it often in private letters — that the

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*Future of  
Canada*

War of 1812 would result in our taking and keeping Canada as compensation for our many and substantial grievances against England. This was not due to any unfriendliness toward Great Britain, but to the belief that it would make for stable equilibrium all around, and be better for everybody concerned. He looked forward to a confederated North America, and to a South America at least wholly independent of Europe and developing under our friendly auspices. He wrote to Baron von Humboldt in 1813 as follows:—

*America  
for peace,  
not war*

“The European nations constitute a separate division of the globe, their treaties make them part of a distinct system; they have a set of interests of their own in which it is our business never to engage ourselves. America has a hemisphere to itself. It must have its separate system of interests, which must not be subordinated to those of Europe. The insulated state in which nature has placed the American continent should so far avail it that no spark of war kindled in the other quarters of the globe should be wafted across the wide oceans which separate us from them.”

To another foreign correspondent he wrote several years later:—

"Nothing is so important as that America shall separate herself from the systems of Europe and establish one of her own. Our circumstances, our pursuits, our interests are distinct; the principles of our policy should be so also. All entanglements with that quarter of the globe should be avoided if we mean that peace and justice shall be the polar stars of American societies."

*Distinct  
from  
European  
system*

Finally, before the great enunciation of the Monroe Doctrine in 1823, President Monroe wisely consulted the venerable statesman then in retirement at Monticello, and he received from Mr. Jefferson an ever-memorable letter, from which I may quote the following sentences:—

"Our first and fundamental maxim should be never to entangle ourselves in the broils of Europe. Our second, never to suffer Europe to intermeddle with cis-Atlantic affairs. America, North and South, has a set of interests distinct from those of Europe and peculiarly her own. She should, therefore, have a system of her own, separate and apart from that of Europe."

*Statement  
of policy  
in 1823*

This, all things considered, is perhaps the best and clearest statement, as it is the boldest, that has ever been made of the doctrine so repeatedly



in the large sense. And so it remained for our country, in a better period, and in the fullness of time, to enforce the Jeffersonian principles of policy in the case of an island concerning which Jefferson in 1823 had written: "I candidly confess that I have ever looked on Cuba as the most interesting addition which could ever be made to our system of states."

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*Our later  
policy in  
Cuba*

It must be borne in mind that Mr. Jefferson was always consciously working out a permanent rather than a temporary line of policy, and that he always had in mind the rapid extension and great growth of the nation. Thus, writing to Baron von Humboldt not long after the census of 1810, which had shown our population to be a little more than seven millions, he declared:—

*Predictions  
as to popu-  
lation*

"In fifty years more the United States alone will contain fifty millions of inhabitants, and fifty years are soon gone over. The peace of 1763 is within that period. I was then twenty years old, and of course remember well all the transactions of the war preceding it, and you will live to see the period equally ahead of us; and the numbers which will then be spread over the other parts of the American hemisphere catching long before that the principles of our

*To Hum-  
boldt*

CHAP. V.      portion of it, and concurring with us in the **maintenance** of the same system."

*What Humboldt lived to see*      Humboldt actually lived to see the population of the United States alone more than **thirty** millions, and to see the independent South American states living under constitutions modeled after ours, and concurring in the main in our views of a distinctive American international policy.

*To Monroe on Canada*      In his population estimates, Mr. Jefferson had probably calculated upon our union with **Canada**, which would have resulted in the much more rapid development of that region. Writing to James Monroe, in 1801, he declared:—

"However our present interests may restrain us within our own limits, it is impossible not to look forward to distant times when our rapid multiplication will expand itself beyond those limits and cover the whole northern, if not the southern, continent, with a people speaking the same language, governed in similar forms, and by similar laws."

*Race and language in America*      What other man, in 1801, foresaw so clearly the great growth of the English-speaking races and the widespread establishment of their social and political institutions? Writing to Mr. Madi-

son on the Florida question in 1809, Jefferson declared:—

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“We should then have only to include the North [meaning Canada], in our confederacy, and we should have such an empire for liberty as she has never surveyed since the creation; and I am persuaded no constitution was ever before so well calculated as ours for extensive empire and self-government.”

It is not necessary to pause to inquire how far Jefferson's specific forecasts have been verified in the course of a hundred years; but it is to be remarked that he was dealing consciously with a larger future than a single century. In short, the statesmen of to-day, for large, fresh, and sweeping views toward the still future horizon, should look through the lenses provided by Thomas Jefferson. It remains true, as he pointed out, that the policy of Europe is essentially belligerent and aggressive, while the policy of America is essentially pacific.

It remains true, moreover, that it must be a principal aim of our policy to promote the development of the Canadian half of North America in harmony with that of our own half, with a view to ultimate voluntary political union. If Jefferson

*The still  
future  
horizon*

*The largest  
remaining  
item*

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were alive, he would still hold this to be the largest unfulfilled aspiration to be noted in the items of a future public policy.

*The  
Isthmian  
canal*

In view of the great development of our Pacific seaboard, it would have been in strict keeping with all of Mr. Jefferson's views to advocate the territorial acquisition of the Isthmian strip that connects North and South America with a view to cutting a ship canal on our own soil. Although such a costly project was by no means ripe for action in his day, Mr. Jefferson more than once expressed lively interest in the possibility of an interoceanic canal. And let it be said with the utmost emphasis, nothing would have been further from Mr. Jefferson's views than the placing of this strictly American enterprise under the political auspices of the great powers of Europe, although such a plan was proposed in the Bulwer-Clayton treaty by an American Secretary of State in 1850, and again proposed in 1900. Fortunately, the preponderant sentiment of the country was aroused to a perception of the vital bearings of the question; and we may rest assured that Americans will henceforth remember Jefferson's idea that the Gulf of Mexico and the Caribbean Sea are essentially

*The Gulf  
and the  
Caribbean  
Sea are  
American*

American waters, and that an American inter-oceanic canal must come under the full control of the American political system.

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Jefferson advocated ample coast defenses, and a navy adequate to our purposes of protection. If at one time he seemed not to favor an ambitious naval policy, it was for immediate reasons which he ably explained. The naval predominance of England was so great that we could not then hope to rival England on the sea, and an inferior navy would be likely to be sacrificed in a British war. John Adams, himself the staunch advocate of a vigorous naval policy, declared in his old age that he had always regarded Mr. Jefferson as the Father of the American Navy.

*Coast defense and navy**Father of the navy*

A study of Mr. Jefferson's views, with reference to their application to our existing conditions, would probably lead to the conclusion that he would now favor the steady development of our new navy, but would limit the standing army as closely as possible. As early as 1799 he wrote to Elbridge Gerry: —

*On the army question*

"I am for relying for internal defense on our militia solely, till actual invasion."

But several years later, in correspondence with some one else, he made this very notable utter-

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*Universal  
militia*

ance: "None but an armed nation can dispense with a standing army. To keep ours armed and disciplined is therefore at all times important."

And in his last annual message, in 1808, as his second Presidential term was ending, he declared to Congress: —

"For a people who are free, and who mean to remain so, a well-organized and armed militia is their best security."

*Military  
instruction  
in schools*

You will remember that in 1813, several years after his retirement, in the light of our current experiences in the pending war with Great Britain, he wrote to James Monroe that "We must make military instruction a regular part of collegiate education; we can never be safe until this is done." In short, Jefferson believed in a citizen soldiery, to be composed, if necessary, of practically all the young men in the country, none of whom should have grown up without becoming familiar with the use of weapons or without being sufficiently drilled and trained to admit of ready organization. For the supply of officers he would make sure that young men in academies and collegiate institutions should have some especial training in military tactics and the art of war.

*A citizen  
soldiery*

After the experience of a hundred years, we

have arrived at no wiser view than this. While CHAP. V.  
England has begun to talk of conscription and  
great standing armies, after the continental *A disciplined nation*  
fashion, it behooves us to see clearly our own  
path and hold fast to the principle that ours must  
be an armed and disciplined nation, which for  
that very reason can dispense with a large stand-  
ing army.

The question must naturally arise, what rela- *Our Philippine policy*  
tion our position and policy in the Philippines  
bears to the American policy of isolation as set  
forth by Mr. Jefferson. I shall make no ingenious  
attempt to reconcile one thing with another. It  
is not necessary to prize consistency above all  
else. But in this particular instance, I am unable  
to find any denial, or even any weakening, of the  
Monroe Doctrine principle. Mr. Jefferson and  
his colleagues were dealing with two opposing  
systems, one the European, the other the Ameri-  
can. These systems had relation to such parts of  
the world as were at that time within the sphere  
of ordinary commercial intercourse, or were  
related under the principles of international law, *The Pacific in Jefferson's time*  
recognizing one another by the exchange of  
ambassadors or other agents. At that time there  
was little trading in the Pacific Ocean, the most

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important perhaps being the regular moving of the Spanish galleons from Mexico to the Philippines, and vice versa. China and Japan, Korea and Siam, had no connection or intercourse with Europe and America. Australia had not been colonized.

*Our new interests*

A wholly new situation has arisen since then. A new commerce has come into existence, and the far East has been aroused from the slumber of centuries. With our great Pacific seaboard, we must needs be vitally interested in the new commerce and the new affairs of the Pacific Ocean and its bordering countries. The European system remains, and it must continue to dominate Europe, Africa, and the western part of Asia.

*European system**American system*

The American system also remains, and so long as we are true to the policy laid down by our forefathers it will continue to dominate the Western Hemisphere of North and South America. But there has been rapidly evolving a third system — that of the far East, or the Pacific — in which China and Japan have a great part to play, and in which we also have interests, as have several of the European powers. These new interests of ours had become important before we had fairly recognized them. A war in asser-

*Pacific system*

tion of the Monroe Doctrine brought us temporarily to Manila, and we remained at Manila for reasons that had no reference at all to the Monroe Doctrine, but rather to our new Pacific interests and responsibilities.

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I have no reason to mention this topic except by way of these passing suggestions. The Monroe Doctrine more than ever is the great cardinal principle of our policy. Our chief territorial expansion is to be in our own hemisphere, where conditions favor the settlement of English-speaking men. Our position in the Philippines is exceptional, and is perhaps to be modified in due time to the form of a mere friendly protectorate. Of one thing we may be assured, and that is that our mission there is destined to be one of beneficence to the inhabitants themselves. I must confess myself at a loss to understand the logic of those who would quote the Declaration of Independence as showing conclusively that our presence in the Philippines is contrary to Jefferson's principles of democracy and self-government.

*Our  
cardinal  
policy**Our  
mission  
in the  
Philip-  
pines*

Mr. Jefferson had some sense of historical processes, and also some clear recognition of the need of considering the element of time. He

*The ele-  
ment of  
time*

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*Evolution  
of our  
republic*

*Rights of  
communi-  
ties*

*Practical  
causes of  
American  
revolution*

pointed out with frequency that circumstances had brought our people in the American colonies to a position where, beyond any other people of any period, we were fitted to enter upon the experiment of a democratic republican state. Our colonies had been growing for more than a century and a half, and had been evolving the American citizen and the American self-governing community. Until these two developments had taken place there could have been no successful American republic. Even in 1774 and 1775 Jefferson's views of the inherent rights of men, as respects self-government, had to do not with the higher attributes of national or imperial sovereignty, but with the practical, every-day rights of communities to order their own local affairs and to take part in imposing the taxes that they were themselves to pay. It was the denial of these ordinary rights of local, concrete self-government to the American colonies that led them to the verge of a revolution that otherwise would not have been defensible. In other words, the American revolution was not, either in Jefferson's mind, or in that of any other leader, founded upon abstract conceptions of the rights of individual men, but rather upon practical grievances.

The established order of the world required the exercise by some accountable government of the responsibilities of sovereignty at Manila. In that exercise the United States became the legal successor of Spain. It became incumbent upon us, however, in regard to the people themselves, to assert as rapidly as possible our own views of the value of individual citizenship and of self-government in communities, as a foundation for the larger institutions of the province, the state, or the nation.

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*Political  
evolution at  
Manila*

Mr. Jefferson's letters to James Madison, Thomas McKeen, Governor Claiborne, and various others, about a hundred years ago, relating to the gradual evolution of government in the purchased Louisiana Territory, disclose a practical statesmanship that makes it clear, even down to the minute details, how Jefferson would have approached the task of initiating and developing a government for the Philippine Archipelago. And I may add that I do not see any appreciable difference of philosophy or principle between the Jeffersonian views and those which Governors Taft and Wright clearly expressed, and which were supported at Washington by Presidents McKinley and Roosevelt, and by Mr. Root as Secretary of War.

*Early  
experience  
in Louisi-  
ana*

CHAP. V.      We do not show our belief in democracy at home by forcing the ballot into the hands of school children, but rather by our definite purpose so to train the school children that in due time they may come into a valuable heritage of citizenship. In like manner we shall fulfill every duty and observe every principle of democracy in the Philippines if we introduce popular and representative institutions just as rapidly as may be consistent with the maintenance of order and the enforcement of justice between man and man.

*Light on  
our nearer  
problems*      It is not impossible, furthermore, that our experience in the Philippines and elsewhere may help us to understand better the evolutionary character of some of our problems nearer home. We have at times found the difficulties confronting our democratic institutions to be so disheartening that we have allowed the pessimists to raise their insidious doubts as to the fundamental value of democracy and as to the future of our system. Here, again, I do not know any wiser teacher to follow than Mr. Jefferson, nor any better dictum than that the ultimate cure for the ills of democracy is to be found in democracy itself.

In Jefferson's time it required great faith and

clear insight to hold in an unqualified manner to the novel doctrine of the right-mindedness, capacity, and wisdom of the plain people, and to the view that government should rest on the broadest possible basis. Rousseau and other French writers, it is true, had promulgated such ideas. But they argued in the sphere of abstract discussion, and not at all in that of practical politics. Such views in England were of slow and cautious growth, and even to our own day it is the taxpayer — rather than the man — who casts a British ballot, while a single proprietor may vote in as many different places as he owns property. The practical doctrine of democracy, that is to say, of the plain people, as the depository of political power, the doctrine so firmly held in a later period by Abraham Lincoln, was, above all, the Jeffersonian doctrine. Of all the men who had lived in the world up to his time, he expounded that idea most influentially. It was his leadership of a school of American politics and statecraft, more than anything else, that gave firm establishment to the broad democratic experiment in this country. "The only orthodox object," he declared, "of the institution of government, is to secure the greatest degree of

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*The doctrine that the people are capable*

*Jefferson its chief expounder*

*"Happiness to the general mass"*

CHAP. V. happiness possible to the general mass of those associated under it."

In his "Notes on Virginia," written in 1782, his observations on government were in a vein well indicated by the following quotations:—

*Argument  
for popular  
govern-  
ment*

"Every government degenerates when trusted to the rulers of the people alone. The people themselves, therefore, are its only safe depositories. To render even them safe, their minds must be improved to a certain degree." On the same page he declared:—

"The influence over government must be shared among all the people. If every individual which composes their mass participates in the ultimate authority, the government will be safe: because the corrupting the whole mass will exceed any private resources of wealth; and public ones cannot be provided but by levies on the people. In this case every man would have to pay his own price. The government of Great Britain has been corrupted because but one man in ten has a right to vote for members of Parliament. The sellers of the government, therefore, get nine tenths of their price clear."

For a period of more than fifty years, seemingly without a moment's misgiving, Jefferson

proclaimed this political gospel of popular self-government. Many of the half-hearted republicans of his time favored some vestiges of hereditary or aristocratic or exclusive institutions. Jefferson never compromised with any of these opinions. Early in his career he wrote to General Washington, "Experience has shown that the hereditary branches of modern government are the patrons of privilege and prerogative." Since he wrote those words, the world has had a further experience of such an hereditary institution as the British House of Lords, through an added century and a quarter; and Mr. Jefferson's views remain so sound and judicious that they might have been written yesterday. "The true foundation of republican government," he wrote at a later period, "is the equal right of every citizen in his person and property, and in their management."

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*An unwavering apostle**Hereditary power*

It must be remembered that the idea of an unrestricted suffrage was a very novel one at the beginning of the nineteenth century. What Mr. Jefferson's views had always been he made clear in a letter to a citizen of Virginia which he wrote in 1800. He explained that the new constitution of Virginia had been formed when he was absent

*The idea of universal suffrage*

## CHAP. V.

attending a session of Congress; and then he added, "Had I been here (in Virginia), I should probably have proposed a general suffrage because my opinion has always been in favor of it." In notes and proposals for Virginia constitutions at several earlier periods, Mr. Jefferson had not wholly ignored the prevailing sentiment in favor of a property qualification. But he had practically nullified such a limitation by admitting any man who was liable to militia duty. I must not dwell tediously upon this point, although to my mind it has a significance not merely historical or academic, but practical in a concrete and immediate sense. Mr. Jefferson's arguments for a large electorate were many-sided, and they were to my mind as a whole unanswerable. But it would be highly unjust to his doctrine of the suffrage to say that he proclaimed the efficacy of universal suffrage, at all times and under all circumstances, as sure to work out good results.

*For the  
large  
electorate*

*He recog-  
nized facts*

As a general maxim he was ever proclaiming the inherent right, and also the advantage, of self-government. But he was a statesman, and he recognized facts in any given situation. And so his maxims about self-government presupposed a certain degree of preparation and fitness. Thus,

after he had purchased Louisiana from France, CHAP. V.  
he did not for a moment allow his well-known *As in*  
philosophy of the right of self-government to *Louisiana*  
obscure his practical judgment as to the immediate work in hand. In December, 1803, he wrote to DeWitt Clinton as follows: "Although it is acknowledged that our new fellow-citizens in Louisiana are as yet as incapable of self-government as children, yet some in Congress cannot bring themselves to suspend its principles for a single moment. The temporary or territorial government of that country, therefore, will encounter great difficulty."

Two or three years before that, in a letter to John Breckinridge, he pointed out a radical difference between our American people and the people of France, in that, while our countrymen are impressed from their cradle with the sacredness of the law of majority rule, the people of France, on the other hand, to quote his exact words, "have never been in the habit of self-government, and are not yet in the habit of acknowledging that fundamental law of nature by which alone self-government can be exercised by a society — I mean the *lex majoris partis*." *The rule of the majority*  
Mr. Jefferson, of course, had no doubt whatever

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*Need of  
prelimi-  
nary pro-  
cesses*

as to the applicability in due time of the principles of self-government in Louisiana on the one hand and in France on the other. He did not waive his ideal, but merely recognized the necessity of preliminary processes.

*The test of  
intelli-  
gence*

In his later years he came more and more to point out the need of character and intelligence in the individual citizen. Thus, in commenting in a letter to a foreign correspondent in 1814, on a new constitution that had been drawn up for Spain, he wrote: "There is one provision which will immortalize its inventors. It is that which after a certain epoch disfranchises every citizen who cannot read and write. This is new, and is the fruitful germ of the improvement of everything good, and the correction of everything imperfect in the present constitution. This will give you an enlightened people and an energetic public opinion."

*An incen-  
tive to  
diligence*

And I might make other citations, showing an acceptance by Mr. Jefferson of the plan of an educational restriction. In this there was nothing inconsistent with his previous arguments in favor of a wide extension of the franchise. The system against which he had been fighting was one which tended toward the perpetuation of privileged classes in the community. The educa-

tional qualification, as he favored it, had no such tendency. Its object was not to make permanent exclusion of the masses from an equal part in the work and privilege of government, but rather to provide an added incentive to diligence and effort on the part of every young man to fit himself to meet the tests.

There has been a period in our recent history during which more honor has been paid to Jefferson's general maxims than to his practical statesmanship. It was precisely because he believed so deeply in the people and in their essential equality of rights and of legal status, that he attached so much importance to the work of making them fit to be intrusted with the exercise of their natural rights as members of the political community. Thus Jefferson would have said — if I have any understanding of the principles of his statesmanship — that it was the great business of the people of America, in the critical period after the year 1865, not to confer the franchise indiscriminately upon all comers, but rather to seek by every means and by every sacrifice to qualify all comers — and especially their children — for the future exercise of the franchise in an intelligent and responsible manner.

*Making  
the voters  
fit*

*Mistakes  
after 1865*

## CHAP. V.

*Too easy  
naturaliza-  
tion*

I do not think, then, that we have paid the highest honor to Jeffersonian principles in the North by admitting to the franchise hundreds of thousands, if not millions, of foreigners unable to speak the English language, densely ignorant of our forms of government, and to a large extent unable to read even the Latinic dialects or the Slavonic jargons of the regions from which they have come. It is not strange, under such circumstances, that the government of our great cities has been corrupt and inefficient. The conditions of immigration in Jefferson's time were so different that, while he made many observations on the subject that still possess value, there is not much in his writings of direct application to our recent and present experiences on that score. It may be clearly inferred, however, that Mr. Jefferson would have favored some measure to restrict the coming of undesirable immigrants in excessive numbers; and it is even more fairly to be inferred that he would have extended the franchise to such immigrants only upon evidence in each individual case of the possession of proper knowledge and capacity to take part in the government of American communities.

*Would  
Jefferson  
have re-  
stricted  
immigra-  
tion?*

With respect to pending franchise questions in

the Southern states, I have no word of a controversial nature to utter. An electorate once broadened to the utmost possible limits is a difficult thing to contract. The ultimate aim of statesmanship, doubtless, should be the broadening of the base of popular government. But I do not think there is any gain in a hastening of the process.

*The  
Southern  
franchise  
problems*

After all, Mr. Jefferson's greatest contribution to the system of democracy as applied in practice was his doctrine of the relation of the government to education. He believed that the community as a whole should confer upon every child the opportunity to acquire a common education, and such practical knowledge as would best fit it for its place in the industrial and political community. To his mind this was the best way to meet the inequalities of wealth and condition that otherwise would disturb the equilibrium of a democratic state. If he had lived to our day, and had found large elements of population unqualified to exercise the electoral franchise, he would doubtless have advised such groups or factors that their true interests lay in other directions than politics and government. But with equal emphasis he would have urged upon the community

*Education  
and states-  
manship*

*To elevate  
the citizen-  
ship*

CHAP. V.

at large the still more important fact that **the** must be extraordinary effort used to elevate **every** part of the citizenship of the country.

*Every element must be improved*

All classes, races, and nationalities **must** inevitably suffer some harm and loss through **the** degradation of any single element or factor **of the** population; and on the other hand, each element of the community must experience some **distinct** gain as a result of every effort made to improve the intelligence and general condition of any **other** element or factor. Happily, there are not **want-**ing the signs that the country is coming to an understanding of this fact. The most eager pupils of our public schools in New York, Chicago, and many other Northern cities are the hundreds of thousands of children from the homes of parents who do not speak the English language.

*The schools and the children of immigrants*

The lives of American statesmen and the principles of American government form the themes and topics that more than all others attract and inspire those sons of Italian, Russian-Polish, and Hungarian parents in the tenement quarters of New York and Chicago, as they throng the free circulating libraries for books, and as they meet in their boys' clubs and debating societies. I have no doubt whatever as to the useful future of

these boys as American voters, although I have had many misgivings as to the propriety of enfranchising their fathers.

There was danger, a few years ago, lest these schools might give to the children of hard-working though ignorant immigrants just enough smattering of book knowledge, and just enough contact with people of better economic and social condition than their parents, to spoil them for the places they ought to fill. Careful investigation twelve or fifteen years ago convinced me that along with the immeasurable good our public schools were accomplishing, they were also doing some serious, though incidental harm. They were detaching the sons of immigrants from manual pursuits, while not helping them to anything better. But the schools are now adapting themselves to the new conditions they have to meet, and they are everywhere giving emphasis to the idea of the great dignity and value of labor, while more and more they are combining manual training and the teaching of practical arts with mental and moral discipline, and with instruction in language, numbers, and geography, in drawing, and in the elements of science. Mr. Jefferson's broad schemes of education were scientific enough

*Character  
of the  
schools  
themselves*

*Meeting  
the  
changed  
conditions*

CHAP. V.      and flexible enough to admit all such later differentiations as the kindergarten and the practical trade school, as well as the older grammar school and the university. To Mr. Cabell in 1820 he wrote, "Promote in every order of men the degree of instruction proportioned to their condition and to their views in life."

*Educational systems*      Upon nothing was his heart more set than upon the systematic ordering of education, so that its benefits might be thoroughly distributed. Circumstances have made it possible to carry out his views of a state system more perfectly perhaps in such northwestern commonwealths as Michigan and Wisconsin than anywhere else in this country. And where such systems exist at their best, it is wonderful to note their potency in the assimilation of the new and seemingly unpromising relays of immigrants that have come in recent years from Eastern and Southern Europe.

*Jefferson's lifelong work for education*      The South has responded splendidly of late, at great sacrifice, to the demand for schools; and I am confident that there will be no relaxation of effort. Nevertheless there cannot be too frequent a re-reading of the views of Mr. Jefferson upon the importance of education, and upon its fundamental place in a democracy.

His views of the relation of education to the state were adopted early in his career, and were propounded with his very latest breath. I deem it remarkable that he should have declared in a letter to Madison as early as 1787 that the task and function of giving "information to the people is the most certain, and the most legitimate engine of the government." Even in our own day it seems a bold and advanced idea to declare, without any reserve or qualification, that education is the first duty and chief function of government. The whole civilized world is only now beginning cautiously to recast itself upon a glimmering conception of the truth of that idea. Mr. Jefferson stated it again in his first inaugural message. In 1810 he wrote to John Tyler:—

*The first  
function of  
govern-  
ment*

"I have two great measures at heart, without which no republic can maintain itself in strength. 1. That of general education, to enable every man to judge for himself what will secure or endanger his freedom. 2. To divide every county into hundreds, of such size that all the children of each will be within reach of a central school in it."

*Jefferson's  
further  
expres-  
sions*

In later writings he advocated a special tax for the creation and maintenance of his system of schools graded from the primary classes to the

## THE OUTLOOK FOR THE AVERAGE MAN

university. The vocational training of the community to new production does not require of the rich to pay for the schooling of the poor so complete that resources are even less to be improved upon.

And this doctrine of the new social and industrial conditions we see about us in this twentieth century. The Jeffersonian principle is for the supreme and imperative duty of the state is the training of the people to be good citizens and useful and capable members of society. And again and again is it set forth in the utterances of Mr. Jefferson that the safety and well-being of the state lie along this path of its duty and its nurture.

We have emerged with startling suddenness upon a period of undreamt-of industrial combinations and prodigious aggregations of productive capital. There are moments when it seems as if the concentrated power of the new industrial society is becoming so great that it must subordinate to its purposes the organs and agencies of the political society. In many particular instances, temporarily at least, such subordination has been too visible to be denied. The only remedies in the training of the individual citi-

zen. Industrial combinations will work evil, or they will work good, according as the community itself is prepared to shape them to the common advantage. CHAP. V.

It is not true that the man is diminishing in importance as compared with the dollar. Fortunately, just the opposite is demonstrably the case. The new industrial combinations rest even more necessarily upon the coöperation of talent and skill than upon the dead weight of united capital alone. There never was a time when it so much behooved the young man to invest in himself, and when the relative value of personal training and acquired aptitude was so great in comparison with that of accumulated capital. *Value of  
the man*

The ultimate goal in a democracy is not strife and discord, but political harmony and concord; and it is similarly true that in the economic life of the community the better hopes reach far beyond the wastefulness and strife of the old competitive system, and demand the substitution for it of coöperative methods and scientific organization. We are certainly entering upon a period of unified effort, from which there can be no return to the competitive system as it has existed heretofore. *Unified  
effort  
hence-  
forth*

## CHAP. V.

*Methods  
of control**Jefferson  
on limit-  
ing for-  
tunes*

And respecting this new and close organization of industry, several methods of future control are readily conceivable. One method is that of control by individuals, or by syndicates composed of comparatively few men whose fortunes can be told in hundreds or thousands of millions. A second method is that of the radical enlargement of the functions of the political community, so that the people themselves, organized as the state, may assume control, one after another, of the great businesses and industries of the country. A third method is that of the gradual distribution of the shares of stock of industrial corporations among the workers themselves and the people at large, until in one industry after another there shall have come into being something like a true coöperative system managed on public representative principles quite analogous to the carrying on of our political institutions. Mr. Jefferson declared himself clearly and strongly against any arbitrary limitation of individual wealth. He was willing to have governmental experiments tried, and was not, as many people suppose, the apostle of the unqualified doctrine that government is a necessary evil, that the best government is the one that governs least, and in any case the functions of

## CHAP. V.

government should be negative rather than positive. The tendency of his teaching was, indeed, toward as little interference in industrial affairs on the part of government as circumstances would permit. This, however, was always subject in his teaching to the broad principle that the object of government is to promote the well-being and happiness of the greater number, and that its practical functions may therefore be varied from time to time to meet new conditions.

*Government and industry*

Thus all the new functions of municipal government, in a period when the majority are coming to live under urban conditions, are strictly in harmony with the Jeffersonian teaching. If the common welfare should some time in the future demand the municipal operation of street railways, or even the national ownership and operation of the general railroad system, surely the shade of Mr. Jefferson would not arise to utter any warning whatever.

*Cities and the Jeffersonian views*

In his own day he observed that strong men as a rule make their own fortunes, and that under our laws of inheritance wealth tends in the third or fourth generation toward a distribution that robs it of any particular danger to the less fortunate members of the community. There is no

*Fortunes and their distribution*

CHAP. V.      reason at this moment to regard Mr. Jefferson's opinion on that subject as out of date.

*Safety in numbers*      In other words, Jefferson's dictum holds perfectly good to-day that our governmental safety lies in numbers; and that concentrated wealth, whether in individual or corporate hands, cannot possibly in the long run take away any of the liberties or rights of an enfranchised people intelligent enough to know what it wants. We must to some extent pass through the phase of industrial control at the hands of individuals holding disproportionate wealth and power; but this can last only a little time. The growth of the general wealth of the country is at a higher rate than the aggregation of riches in the hands of multi-millionaires.

*The future belongs to the workers*      There was a time when the man of moderate fortune could afford to be without any training for a place in the professional or business world. But the fixed fortune now yields much less income; while the newer demands of life require a larger outgo. Even the skilled laborer has steadily shortening hours and constantly increasing wages. The future belongs clearly to the workers, and they in due time will become the associated capitalists. I believe it will come to be a

matter of comparative indifference whether the political society that we call the State gradually absorbs the industrial organization, or whether the two shall run on indefinitely side by side. In either case the principles of democracy must have a higher potency than ever; and more than ever they must rest upon the basis of a universal training for citizenship and for honorable membership in the local and the general community.

"One good government," Jefferson observed, "is a blessing to the whole world" — having reference to its illuminating example. In 1823, in a letter to Albert Gallatin, he declared, with a wisdom that the flight of years only serves to illustrate: "The advantages of representative government, exhibited in England and America, and recently in other countries, will procure its establishment everywhere in a more or less perfect form; and this will insure the amelioration of the condition of the world. It will cost years of blood and be well worth them."

*Advance of  
represent-  
ative  
govern-  
ment*

Let me conclude with one more quotation from Thomas Jefferson, which I must commend to the doubters and pessimists, and which seems to me to embody as much political, economic, and ethical wisdom, applicable to present condi-

*A final  
dictum*

CHAP. V.      tions, as any other single utterance from the pen of any other American statesman. What I am about to quote was written by Mr. Jefferson in 1817 to a friend in France, M. de Marbois : —

“I have much confidence that we shall proceed successfully for ages to come, and that, contrary to the principle of Montesquieu, it will be seen that, the larger the extent of country the more firm its republican structure, if founded, not on conquest, but in principles of compact and equality. My hope of its duration is built much on the enlargement of the resources of life, going hand in hand with the enlargement of territory, and the belief that men are disposed to live honestly, if the means of doing so are open to them.”

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